

2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



CONTENTS



Instructions	01	Practices in Relation to the SDGs	07	List of Key Indicators	66
President's Message	02	Establishing a Model of Compliant Corporate Governance	08	Appendix	69
About Us	03				

Digital Intelligence

Rooted in Retail, Digitally Empowered

— Deepening Expertise in Retail Intelligence

- AI Technology Empowers Retail Industry Upgrading 16
- Product Research, Development Management and Innovation 20
- Information Security and Data Security 22
- Excellence in Customer Service 27

Mutual-benefit

Leading the Future, Empowering Industries

— Driving Innovative Development

- Promoting industry development 31
- Promoting Sustainable Supply Chains 34

Advancement

Caring for Employees, Nurturing Growth

— Building a Culture of Warmth and Support

- Talent Strategy 37
- Talent Growth and Development 39
- Safeguarding employees' rights and interests 41
- Employee Care and Well-being 42

Low-carbon Operation

Low-Carbon Development, Steady and Far-Reaching

— Building a Green Operational Ecosystem

- Environmental Protection Management 45
- Addressing Climate Change 46
- Water Resources Management 57
- Emissions Management 57
- AI Technology Drives Green Operational Transformation 58

Lighting Path

Giving Back to Society, Illuminating the Future

— Co-Creating Social Well-Being

- Committed to Social Impact 61
- Strengthening University Collaboration 62
- Empowering Social Responsibility with AI Technology 64

Instructions

Explanation on Compilation

Dmall Inc. (hereinafter referred to as "Dmall Inc.", "DMALL", "the Company" or "We") officially releases the *2025 Environmental, Social and Governance Report* (hereinafter referred to as "this report"). This report aims to disclose and showcase the Company's philosophy, significant progress and performance in fulfilling its Environmental, Social and Governance (ESG) responsibilities in 2025 ("the reporting period"). This report has comprehensively addressed key sustainability topics of stakeholder concern.

Reporting Period

The time frame of this report is from January 1, 2025, to December 31, 2025. To enhance the completeness of the report, the time frame of some contents has been appropriately extended.

Organization Scope

Unless otherwise specified, this report encompasses the Company's overall business operations and management activities during the reporting period.

Information Sources

The information and data in this report are primarily derived from the Company's internal data collection, statistical reports, public information, as well as information released by authoritative media and third-party organizations. The final interpretation rights of all data reside with Dmall Inc.

Basis for Compilation

This report has been prepared in compliance with Appendix C2 *Environmental, Social and Governance Reporting Code* of Main Board Listing Rules of Hong Kong Exchanges and Clearing Limited (hereinafter referred to as "HKEX"), with reference to the Sustainability Reporting Standards (GRI Standard) issued by the Global Sustainability Standards Board (GSSB), the *Sustainability Accounting Standards for Software and IT Services* issued by Sustainability Accounting Standards Board (SASB), and the United Nations Sustainable Development Goals (UN SDGs).

Report Data Description

Certain financial data contained herein is extracted from the *2025 Annual Report of Dmall Inc.* In case of discrepancies, the *2025 Annual Report of Dmall Inc.* shall prevail. Unless otherwise specified, all other data covers the Company and its subsidiaries.

Reporting Principles

This report is prepared in accordance with the following principles:

Materiality: This report has identified key stakeholders and their ESG concerns, with targeted disclosures made based on their significance.

Quantitative: All key performance indicators in this report are derived from relevant statistical reports or documents, with explicit disclosure of measurement criteria, methodologies, assumptions, and calculation tools.

Balance: This report endeavors to present the positive and negative ESG information and support performance transparently and objectively, avoiding selective disclosure or omission.

Consistency: Data disclosed in this report adopts consistent statistical methodologies with previous years to ensure comparability.

Report Release Format

This report is published in Chinese and English bilingual versions. In case of any discrepancy between the two versions, the Chinese version shall prevail. The electronic version of this Report is available on the website of Company (<https://www.dmall.com>) and the website of HKEX (<http://www.hkexnews.hk>).

President's Message



2025 marks a pivotal year for the retail sector as it navigates transformation, and it is also a year in which DMALL will deepen its sustainable development practices and implement systematic strategies. Upholding our mission to "Empower Retailers to Thrive in the Digital Age", we are committed to creating exceptional commercial value for our clients through technological innovation. Furthermore, we have fully integrated Environmental, Social and Governance (ESG) principles into our corporate strategy and operations, actively fulfilling our broad responsibilities towards our employees, clients, partners and society.

We strengthened the foundations of governance to lead responsible development. We recognize that sound corporate governance is the cornerstone of sustainable development. Over the past year, we have further refined our three-tier ESG governance structure—comprising the Board of Directors, the Environment, Social and Governance Committee (hereinafter referred to as the "ESG Committee") and various executive departments—to ensure the thorough implementation of our responsibility strategy. We have also established the Environment, Social and Governance Committee to oversee the formulation and implementation of the Company's ESG strategy. We are committed to building a diverse and professional Board of Directors. We have strengthened our capabilities in data security, privacy protection, anti-corruption and cybersecurity; published a new version of our Supplier Code of Conduct; maintained a "zero-tolerance" stance towards corruption; and established a compliance and risk control system covering both domestic and international operations, thereby building a robust "firewall" for the Company's long-term development.

We deepened our green operations to drive low-carbon transformation. Environmental protection is a shared responsibility for us all. We have formulated a carbon neutrality roadmap to systematically manage the environmental impact of our operations and contribute to the achievement of greenhouse gas emission reduction targets. We have not only promoted green office practices internally, achieving a significant reduction in resource

consumption, but are also committed to integrating green principles into our core products. During the reporting period, we launched the next-generation intelligent retail operating system, Dmall OS 3.X. Through solutions such as AI Merchandising, AI Dispatch, AI PreciseFresh and AI Pricing, empowering retail partners to accurately forecast demand, optimize inventory and logistics, and effectively cut product waste and energy use—turning our technology into measurable energy savings and emission reductions for our clients and the industry.

We combine technology with a human touch to drive shared prosperity across the industry. We believe that the human touch of technology is reflected in respect for and empowerment of people. We pay close attention to emerging risks such as AI ethics and data security and have established a comprehensive management mechanism. At the societal level, we regard our employees as our most valuable asset and are committed to providing a healthy, safe, inclusive and growth-oriented working environment. At an industry level, we actively participate in building the industry ecosystem through organizations such as the China Chain Store & Franchise Association, and have contributed to the formulation of over ten national and industry standards. We have showcased our work on international stages, including the NRF 2025 Retail's Big Show Asia Pacific in Singapore and the Huawei Thailand Digital and AI Summit, where we have shared industry insights. We are committed to bringing China's experience and wisdom in retail digitalization to global partners, driving quality improvement, efficiency gains and collaborative development across the entire sector.

We will embrace future challenges and chart a blueprint for responsibility. Looking ahead to 2026, we will resolutely advance our core AI strategy, achieving a transformation from a "retail digital solutions service provider" to a "retail AI agent s provider". The Company will devote its full efforts to the research and development of retail AI agents, building a comprehensive intelligent operations system across all stages through autonomous decision-making, closed-loop management and continuous evolution

capabilities. In the short term, through the coordinated deployment of the "AI Merchandise Agent" and the "AI Store Agent", we will form an agile "product-to-store" optimization loop, driving growth through a model of co-creation of value and revenue sharing. In the medium term, we will expand this across the retail value chain to form a matrix of retail AI agents. In the future, we will use "AI+Data"-driven supply chain and product development platforms to empower upstream partners, supporting brand owners and manufacturers in product planning and production optimization, thereby evolving from an efficiency enabler to a co-builder of the ecosystem.

At the same time, we will always embrace innovation with a sense of responsibility. Whilst driving technological revolution, DMALL Retail pledges to embed sustainability deeply within our corporate blueprint. We will steadfastly advance the implementation of our 2030 carbon reduction targets, continuously deepen AI ethics and data security governance, fully integrate ESG requirements into supply chain management, and actively respond to global regulatory trends to enhance operational transparency. We firmly believe that technology is not only a catalyst for efficiency but also a driving force for good. We will continue to pursue the path of "AI-driven New Quality Retail", using technology as our engine and responsibility as our compass, joining hands with partners to collectively shape a more efficient, greener and more inclusive retail future.

Co-Founder, Executive Director,
and President

About Us

Overview of DMALL

Founded in 2015, DMALL Inc. (Dmall Inc.) is a leading retail digitalization solution provider in Asia. In December 2024, the Company successfully listed on the Main Board of the Hong Kong Stock Exchange (stock code: 02586.HK).

We are dedicated to providing retail digitalization solutions for the local retail industry (i.e., businesses selling goods to nearby consumers through offline or online channels). Our services cover various retail enterprises, including supermarket chains, warehouse-style supermarkets, department stores, convenience stores, specialty retailers, and new retail formats (such as membership clubs and discount stores). By serving a diverse customer base, we have accumulated deep retail expertise, enabling us to meet our customers' needs across key operational aspects. In 2025, we served 593 retail customers. In the domestic market, we continued to deepen and broaden our cooperation with existing customers like 7-Eleven China, while successfully onboarding new regional and industry leaders such as Shanghai Tangjiu Group and Xinjiang Wuika Times. Internationally, we achieved a breakthrough by signing with Singapore's century-old retail enterprise, Cold Storage. Our cooperation with existing partners like DFI Retail Group and SM Group continued to deepen, with customer stickiness and partnership value steadily increasing.

In 2025, our Group maintained steady revenue growth while continuously optimizing operational efficiency. Our financial fundamentals significantly improved, laying a solid foundation for long-term sustainable development. Our Group's total revenue continued to grow, reaching RMB 2.23 billion in 2025, a year-on-year growth of 19.8%. Revenue from AI retail core solutions reached RMB 1.06 billion, up 21.7% year-on-year. Our overseas business also achieved remarkable results, with overseas revenue reaching RMB 191.8 million in 2025, a year-on-year growth of 21.7%, demonstrating the widespread application and validation of our business model.

Corporate Culture



Mission

Empower Retailers to Thrive in the Digital Age

MISSION



Vision

To become the World's Leading Omni-channel Retail Digitalization Solution Provider

VISION

Core Values

Customer Success

"Customer success" is the starting point for all our work, the direction we strive for, and the yardstick for our value. Achieving customer success means achieving our own.

Open Collaboration

"Open collaboration" is the foundation for efficient and stable operations within DMALL. An open mindset, synergy, and mutual achievement lead to greater success.

Continuous Innovation

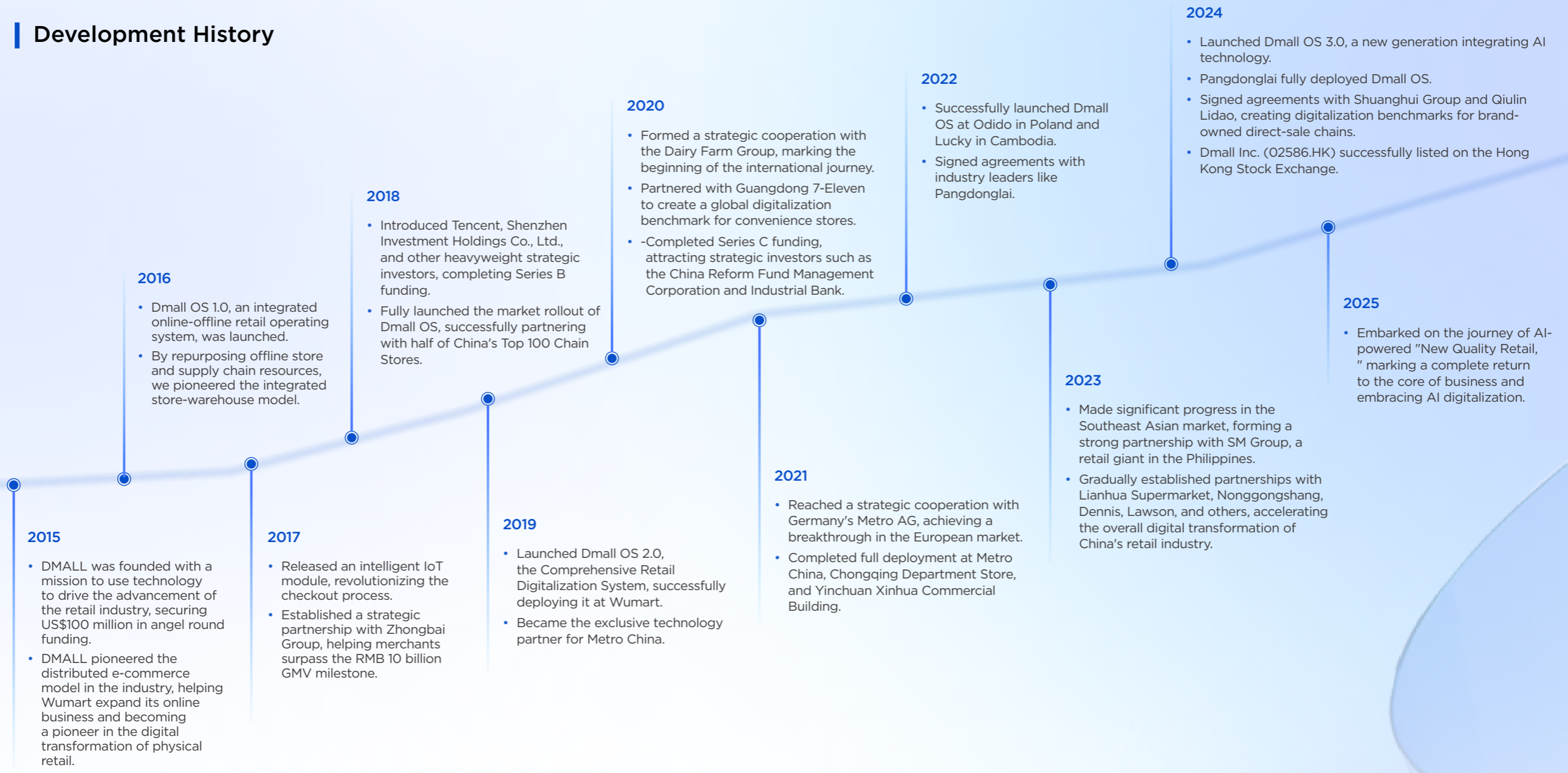
"Continuous innovation" is the prerequisite for DMALL to maintain a leading position and core competitiveness in the industry.

Strive to Thrive

"Strive to Thrive" is the inexhaustible driving force that propels DMALL forward. We maintain drive and passion in adversity and act with a committed mindset in prosperity.



Development History



Awards and Honors



<p>MINDS 2025 World Economic Forum</p>	<p>2025 World IoT Ranking List Top 500 World Internet of Things Convention Organizing Committee</p>	<p>Privacy-Friendly Digital Consumer Brand Zhongguancun Modern Information Consumption Application Industry Technology Alliance</p>	<p>2025 Top 100 Beijing Software and Information Service Comprehensive Strength Enterprises; 2025 Beijing Software Core Competitiveness Enterprise (Platform Empowerment Type) Beijing Software and Information Service Industry Association (BSIA)</p>
<p>2025 New Quality Productivity Sustainable Development Leader; 2025 ESG Outstanding Case Award (IES Smart Energy Efficiency Solution) syobserve.com</p>	<p>2025 The 8th Digital Transformation and Innovation Awards Digital Industry Innovation Research Center, JNexpert</p>	<p>Beijing Typical Cases of AI Empowering Industry Development Artificial Intelligence Integration and Application Forum Organizing Committee</p>	<p>2025 AI New Quality Retail Innovation Award; 2024 Top 100 AI Products; Top 66 Best Cases of National Enterprise New Quality Productivity Empowerment: "AI Intelligent Replenishment System - Effectively Boosting Product Sales and Inventory Turnover" China Internet Weekly</p>
<p>Forbes China "2025 Consumer Sector Digital Service Provider"; Forbes China Top 50 New Retail Leaders Forbes China</p>	<p>2025 CCFA China Retail Digitalization and New Technology Application Innovation Case China Chain Store & Franchise Association (CCFA)</p>	<p>Research on the Development of China's Electronic Information Engineering Science and Technology—Smart Supply Chain China Information and Electronic Engineering Science and Technology Development Research Working Group</p>	
<p>ESG New Benchmark Enterprise Award StockStar</p>	<p>Top 500 New Economy Enterprises China Enterprise Evaluation Association</p>		

ESG Annual Highlights



Convened **2** general meetings of shareholders, **6** board meetings, **5** special committee meetings, and **1** separate meeting between the Chairman and the Independent non-executive directors. The average attendance rate of the Board at board meetings was **94%**.

Independent non-executive directors accounted for **50%** of the board.

Established an **Environmental, Social and Governance (ESG)** Committee to continuously improve the ESG governance framework.

Strengthened supplier business ethics and integrity management. Released the new version of the *Dmall Supplier Code of Conduct* and the revised version of the *Dmall Supplier Commitment Letter*, which were signed by **359** suppliers.

Optimized ESG management and transparent ESG disclosure. CCX Green Finance ESG Rating: **A**; Wind ESG Rating: **A**.



Obtained **ISO 14001** certification for environmental management systems.

No environmental lawsuits occurred, nor were any economic penalties or fines imposed due to violations of environmental laws or regulations.

Total greenhouse gas emissions decreased by approximately **16.1%** compared to 2024.

Carbon reduction commitment: Using 2025 as the base year, set a target to reduce Scope 1 & 2 greenhouse gas emissions by **10%** by 2030, and develop a carbon neutrality action roadmap.

Water efficiency improvement: Water intensity in 2025 was **1.39** tonnes per RMB million turnover, a significant decrease from 2024 (1.84 tonnes per RMB million turnover).

Conducted **14** energy-saving and environmental protection education and training sessions, with **891** employee attendances.

Leveraged AI technologies to drive green operations transformation. AI products such as AI Merchandising, AI PreciseFresh, AI Pricing, and AI Dispatch assist clients in improving operational efficiency while achieving resource conservation and emission reduction.



0 data breach incidents.

Obtained certifications for security management systems, including **ISO/IEC 27001:2022** (Information Security Management System), **ISO/IEC 27701:2019** (Privacy Information Management System), and Classified Protection of Cybersecurity (Level 3).

Accumulated **186** granted patents, **332** software copyrights, and **282** registered trademarks. Among these, **37** patents and **34** software copyrights were newly granted in 2025.

The employee stock ownership plan covers **50.10%** of employees.

Organized **11** volunteer activities with **140** participant attendances.

Leveraged AI technologies to support social responsibility. AI products such as AI Monitoring and AI Loss Prevention effectively empower employees, enhance customer service quality, and support regional economic development.

Practices in Relation to the SDGs

During the reporting period, we analyzed and mapped our sustainability initiatives against the United Nations Sustainable Development Goals (UN SDGs) based on the characteristics of our business, and selected 13 of the most relevant goals for focused benchmarking and management.

13.Climate action

Actively implement emission reduction measures by promoting clean energy and energy-saving technologies to effectively reduce energy consumption and greenhouse gas emissions, thereby minimizing the carbon footprint.

Corresponding Section: Addressing Climate Change

12.Responsible consumption and production

Prioritize the protection of customer rights and enhance service satisfaction. Utilize advanced encryption technologies and stringent data management mechanisms to ensure the security and compliance of customer information.

Corresponding Section: Product Research, Development Management and Innovation, Information Security and Data Security, Excellence in Customer Service

11.Sustainable cities and communities

Organize and encourage employees to participate in social impact activities, promoting sustainable community development. Establish long-term collaborations with universities to empower community growth.

Corresponding Section: Committed to Social Impact, Strengthening University Collaborations, Empowering Social Responsibility with AI Technology

10.Reduced inequalities

Provide equal opportunities for every employee and foster an inclusive, open work environment where talent from diverse backgrounds can fully realize their potential.

Corresponding Section: Talent Strategy, Safeguarding Employees' Rights and Interests, Employee Care and Well-being

9. Industry,innovation and infrastructure

Continuously invest in technology research and development, optimize product architecture, explore cutting-edge technologies, and integrate sustainability principles into the entire supply chain process.

Corresponding Section: Product Research, Development Management and Innovation, Promoting Sustainable Supply Chains

17.Partnerships for the goals

By sharing resources, complementing technologies, and jointly driving innovation, we will collaboratively build an efficient and intelligent industry ecosystem. We actively participate in industry initiatives to advance technological innovation and digital-intelligent transformation.

Corresponding Section: Promoting Industry Development

16.Peace,justice and stong institutions

Uphold business ethics and take legal compliance as the foundation of corporate governance, establishing a clear, scientific, and efficient corporate governance mechanism, a comprehensive and complete ESG governance structure, and a robust risk assessment system to ensure the sustainable operation and development of the enterprise.

Corresponding Section: Board Independence and Diversity, ESG Governance Framework, Strengthened Compliance Management, Integrity and Compliance Management



3.Good health and well-being

Establish a comprehensive occupational health and safety management system, conduct regular safety training and health examinations, and foster a safe and comfortable working environment.

Corresponding Section: Employee Care and Well-being

4.Quality education

Develop comprehensive employee development programs and provide a systematic training system to help employees continuously surpass themselves and master cutting-edge technologies.

Corresponding Section: Talent Growth and Development

5.Gender equality

Actively promote diversity and inclusion, respecting employees' backgrounds, gender, age, and cultural differences. Regularly organize diverse cultural activities to enhance employees' sense of belonging and identification, fostering a respectful, supportive, and inclusive work environment.

Corresponding Section: Talent Strategy, Safeguarding Employees' Rights and Interests, Employee Care and Well-being

6.Clean water and sanitation

In water resource management, water-saving technologies are actively promoted, and water recycling programs are implemented to reduce water consumption. A regular inspection and maintenance mechanism for water facilities has been established to ensure the sustainable use of resources.

Corresponding Section: Water Resources Management

7.Affordable and clean energy

Through intelligent products and services, help customers optimize energy efficiency, reduce carbon emissions, and achieve sustainable development goals.

Corresponding Section: AI Technology Empowers Retail Industry Upgrading, Product Research, Development Management and Innovation, AI Technology Drives Green Operational Transformation

8.Decent work and economic growth

Provide employees with equitable compensation and benefits, comprehensive rights protection, transparent career development pathways, and diverse training opportunities to ensure the growth and realization of value for every employee.

Corresponding Section: Talent Strategy, Talent Growth and Development, Safeguarding Employees' Rights and Interests, Employee Care and Well-being

01

Establishing a Model of Compliant Corporate Governance

DMALL

Practices Concerning the SDGs



Board Statement

We have established a robust sustainability management mechanism with a clearly defined environmental, social, and governance structure. The Board of Directors serves as the highest decision-making and supervisory body for our ESG affairs. It holds overall responsibility for formulating and advancing the Company's ESG strategy and supervising all ESG-related matters.

The Board has established the Environmental, Social and Governance Committee (the "ESG Committee") under it. The ESG Committee is responsible for reviewing and supervising the Company's ESG policies and practices to ensure compliance with relevant legal and regulatory requirements. It also monitors and responds to emerging ESG issues, making recommendations to the Board as appropriate to enhance our ESG performance. In the future, the Board and the ESG Committee will continue to oversee and refine our ESG management and performance, working hand in hand with all stakeholders to create a sustainable future.

During the reporting period, the Board reviewed the process and results of our ESG materiality assessment and provided recommendations on ESG topics that could materially impact our long-term sustainable development. Through regular reports and special briefings from ESG management, the Board gained an in-depth understanding of ESG developments and stakeholder feedback and expectations. This Report provides a detailed account of our ESG work's progress and achievements in 2025 and was reviewed and approved by the Board before publication.

Board Independence and Diversity

We adopt a single-tier Board structure. The Board has established several professional committees under it, including the Audit Committee, the Remuneration Committee, the Nomination Committee, and the ESG Committee, ensuring the professionalism and scientific nature of our decision-making. During the reporting period, we convened 2 general meetings, 6 Board meetings, 5 professional committee meetings, and 1 separate meeting between the Chairman of the Board and Independent Non-executive Directors. The average Board meeting attendance rate was 94%.

Regarding independence, we strictly follow the relevant regulatory requirements of the Stock Exchange, formulating and implementing a Board Independence Policy to ensure the independence and professionalism of Board decisions at the institutional level. The Board comprises 1 Executive Director, 3 Non-executive Directors, and 4 Independent Non-executive Directors, with Independent Non-executive Directors accounting for 50%. This structure fully ensures the Board can adequately consider independent opinions, enhancing the objectivity and fairness of its decisions. The Nomination Committee regularly evaluates the independence of Independent Non-executive Directors. Simultaneously, aligning with the Company's strategic development needs, we continuously optimize the Board's composition and refine the selection criteria, performance evaluation, and dynamic management mechanisms for Independent Directors. Through these institutional arrangements, we consistently enhance the Board's independent decision-making capacity and supervisory effectiveness. During the reporting period, the average tenure of Directors was 3 years.

Regarding diversity, we have formulated and implemented a Board Diversity Policy. When reviewing and evaluating suitable candidates for directorship, the Nomination Committee considers various aspects, including but not limited to gender, age, race, ethnicity, nationality, cultural and educational background, professional qualifications, skills, knowledge, and industry and regional experience. Furthermore, the Nomination Committee regularly discusses and, when necessary, agrees on measurable objectives for achieving Board diversity (including gender diversity), recommending them to the Board for adoption. Our Board members possess diverse professional backgrounds, covering fields such as finance, accounting, risk management, business management, technology, and the retail industry. This effectively ensures the Board possesses a comprehensive perspective and profound industry insight for strategic decision-making, enhancing its scientific decision-making ability and systemic risk response level, providing solid support for the Company's sustainable development and long-term value enhancement. As of the end of the reporting period, female Directors accounted for 12.5%.

We place high importance on Board effectiveness. The Nomination Committee regularly reviews the Board's structure, size, and composition (including skills, knowledge, and experience), making recommendations on any proposed changes to complement the Company's corporate strategy. Simultaneously, the Nomination Committee advises the Board on the appointment or re-appointment of Directors and succession planning for Directors (especially the Chairman of the Board and the Company's Chief Executive Officer), ensuring smooth transition and continuous optimization of Board leadership, providing solid organizational assurance for the Company's long-term strategic stability and enhanced governance effectiveness.

During the reporting period

Held general meetings of shareholders

2



Board meetings

6



Professional committee meeting

5



Separate meeting between the Chairman of the Board and Independent Non-executive Directors

1



Average Board meeting attendance rate

94%



Proportion of female directors

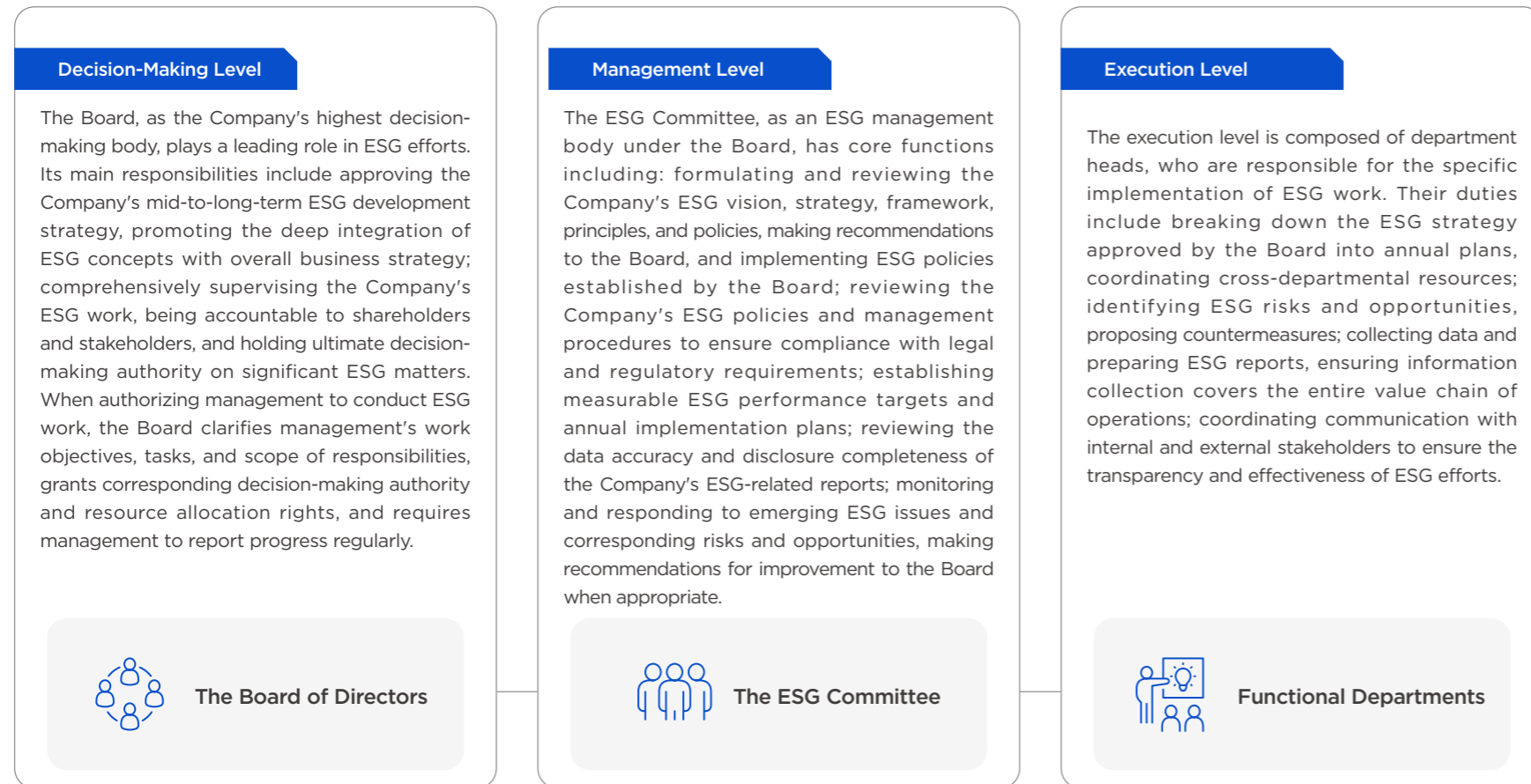
12.5%



ESG Governance Structure

DMALL has established and continuously improves a well-defined, three-tier ESG governance structure with clear responsibilities, ensuring the comprehensive integration of ESG principles from strategic decision-making to business execution, providing a solid organizational foundation for our sustainable development.

DMALL ESG Governance Structure



Strengthened Compliance Management

We adhere to empowering core business development through compliance, establishing a legal risk prevention and control system covering domestic and international business processes. We comply with tax policies in our operating locations and continuously strengthen our global compliance capabilities.

Global Compliance System Construction

To support the in-depth implementation of our internationalization strategy, during the reporting period, we focused on strengthening data compliance and overseas operational compliance. The Legal Department completed a comprehensive update and iteration of overseas and domestic user agreements, privacy policies, and Cookie policies, ensuring our products strictly comply with the EU's General Data Protection Regulation (GDPR) and data compliance requirements in Southeast Asia, effectively supporting the maintenance and renewal of ISO 27001 and ISO 27701 international certifications.

Simultaneously, we released the *Overseas Procurement Management System V4.0*, further standardizing cross-border transaction processes and ensuring operational activities strictly adhere to the laws, regulations, and regulatory requirements of the business locations.



Tax Compliance Commitment

DMALL formulates and implements a strict tax compliance policy, upholding corporate tax integrity and demonstrating our global responsibility:

- We commit to complying with the tax laws and regulations in all countries and regions where we operate.
- We value the commercial substance and rationality of the Company's tax structure, committing not to use tax structures lacking commercial substance.
- We adhere to the arm's length principle in determining transfer prices, ensuring the interests of all parties align with independent transactions, committing not to shift value created by the Company to low-tax jurisdictions.
- We oppose tax avoidance using secrecy jurisdictions or so-called "tax havens," committing not to engage in such practices.
- The Board of Directors is responsible for the approval process of tax policies.

Integrity and Compliance Management

DMALL has always maintained a "zero tolerance" policy towards corruption and fraud, dedicated to building a transparent and ethical business ecosystem. In 2025, we further strengthened our business ethics management. During the reporting period, the Company recorded no concluded legal case regarding corrupt practices brought against the Company or its employees.

Continuously Deepen Anti-Corruption Efforts




During the reporting period, we released a new version of the *DMALL Supplier Code of Conduct* and a revised version of the *DMALL Supplier Commitment Letter*, explicitly requiring all suppliers and partners to comply with regulations against commercial bribery, conflicts of interest, and unfair competition. Additionally, we set strict breach of contract liability clauses in procurement contracts, reserving the right to collect liquidated damages and terminate cooperation with suppliers involved in commercial bribery.

To reinforce internal business ethics defenses, we clarified strict anti-bribery and anti-corruption disciplines in the *Employee Handbook* and the *DMALL Anti-Bribery and Anti-Corruption Compliance System*. We strictly prohibit employees from using their positions for personal or others' undue benefits. Employees must not accept (or encourage others to provide or accept) any funds, financial assistance, or property that could be construed as bribery or gifts. We strictly prohibit employees from accepting kickbacks or rebates, seeking job opportunities for relatives, purchasing others' goods at obviously unreasonable low prices, or appropriating company property. Furthermore, we embedded strict compliance clauses in the new *Invoice Reimbursement Compliance Management Method V2.0*, clearly stating that reimbursement for fraudulent invoices or malicious duplicate submissions will be rejected and may lead to legal liability.

Reporting Mechanism and Supervisory Closed Loop

To ensure the effective implementation of our integrity system, we have established an independent, accessible, and secure reporting mechanism. We publicly disclose the contact email of our disciplinary inspection department (lianjiecongye@dmall.com) on our official website and in supplier admission documents, accepting both real-name and anonymous reports. We have formulated strict whistleblower protection policies, committing to the highest level of confidentiality for whistleblower information and strictly prohibiting any form of retaliation. The Internal Audit department continuously conducts special audits, responding rapidly and investigating deeply upon discovering compliance violations, creating a closed loop for managing complex corruption risks.

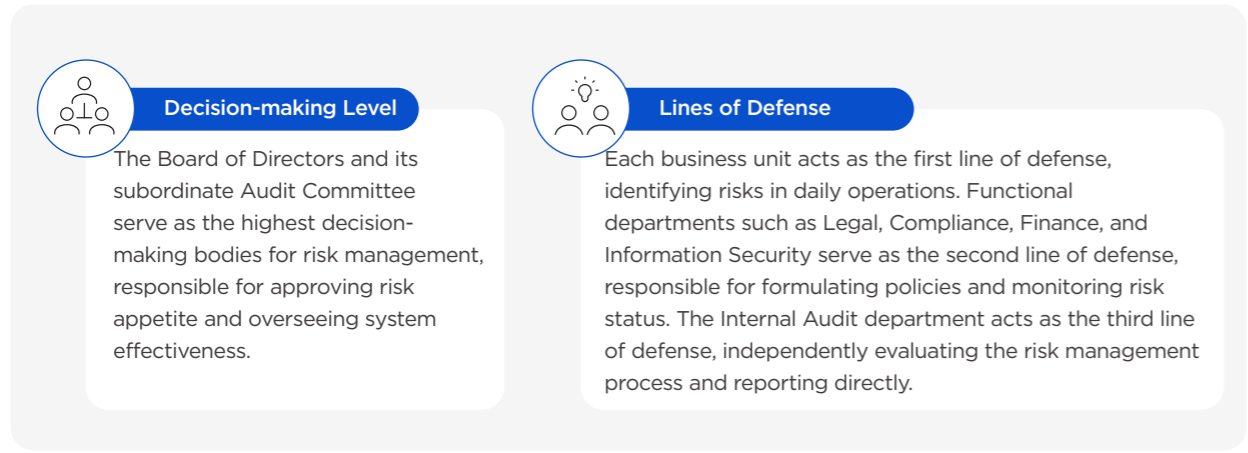
Integrity Culture Building

 <p>Company-wide Interpretation</p> <p>In 2025, we closely integrated with the revision of the national <i>Anti-Unfair Competition Law</i>, particularly the new regulations in Article 8 prohibiting commercial bribery (including bribing counterparty staff), conducting a company-wide special interpretation session.</p>	 <p>Digital Communication Platform</p> <p>We launched the internal Feishu public account "Legal & Compliance Officer" and a compliance robot, regularly pushing "New Law Updates" and typical compliance cases.</p>	 <p>Compliance Culture Promotion</p> <p>In 2025, we conducted 9 compliance awareness sessions related to data security and privacy protection for all employees, integrating compliance requirements into daily work scenarios and fostering a "compliance for all" corporate culture.</p>
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Comprehensive Risk Management

We have established a risk governance structure with "the Board makes decisions, management takes responsibility, and the executive layer ensures implementation", introducing a "Three Lines of Defense" model to comprehensively enhance our risk identification and response capabilities.

Risk Governance Framework and Review Mechanism



We regularly review our risk exposure. In daily audit and supervision, we identify key business processes and high-risk areas, assessing control deficiencies, management loopholes, and potential compliance risks to precisely determine audit priorities. Based on the audit plan, the internal audit team checks the reasonableness of internal control design and effectiveness of implementation through interviews, sampling, and walkthroughs. For findings and issues recorded during the review, the team communicates fully with the audited department, proposes risk recommendations, urges responsible departments to formulate rectification plans, and continuously tracks rectification progress.

We have identified data security risk as one of the most representative core risks in our actual operations. Regarding risks of data leakage, loss, tampering, misuse, and unauthorized access throughout the data lifecycle (collection, storage, use, transmission, sharing, deletion, etc.) arising from internal management, technical protection gaps, or external attacks, our management implements a strict risk control system. We assess and respond to this risk promptly and accurately to prevent potential economic losses, reputational damage, and legal penalties.

Identification and Response to Emerging Risks

Facing a rapidly changing external environment, we have established an emerging risk identification mechanism, focusing on issues that could have significant impacts in the next 3 to 5 years.

Technology Ethics and Data Security Risk

Compared to conventional risk categories, in 2025, we specifically included "AI Technology Risk" in our emerging risk management. This risk primarily refers to potential risks arising from technical flaws, data security issues, algorithm defects, and improper management during AI R&D, application, and management. As a technology service provider for the retail industry, we recognize the need to quickly adapt to challenges brought by AI development. Improper response could have multiple negative impacts on our data security, compliance operations, business stability, and brand reputation, potentially leading to systemic risks. Therefore, we have established clear mitigation measures: closely monitor AI-related compliance policies; promptly and prudently assess various risks that may arise from AI technology applications during product R&D and commercialization; and guide all employees towards compliance through special compliance promotions, ensuring safe and responsible use of technology.

Climate Transition Risk

Addressing policy and market risks from climate transition, we have formulated a Carbon Neutrality Roadmap, enhancing climate resilience through green data center construction and digital energy efficiency product R&D.

Supply Chain Risk Management

To mitigate supply chain disruption and compliance risks, we have implemented a full-cycle supplier risk control mechanism:

Qualification Spot Checks

In 2025, we conducted qualification spot checks on key suppliers onboarded in 2024-2025, focusing on business licenses, production permits, and legal disputes. Suppliers with information changes were identified and urged to update their information, effectively reducing the risk of reputational damage and performance issues.

Performance Appraisal and Tiering

We implement a refined A to D tiering management system for suppliers. During the reporting period, we completed performance appraisals for 112 key suppliers. For underperforming D-level distribution suppliers, we firmly implemented a cooperation suspension mechanism, requiring them to specify improvement measures within one month.

Material Issues

Stakeholder Communication

We place significant importance on stakeholder communication in ESG management, continuously identifying material topics and driving management improvements through systematic engagement mechanisms. Through various channels such as questionnaire surveys, visits and exchanges, and periodic reports, we actively maintain communication with all parties, dynamically collecting and responding to their concerns and expectations. We have clearly identified key stakeholders, including government and regulatory authorities, investors and shareholders, employees, customers, suppliers and partners, and communities and the public, systematically collecting their opinions as a crucial basis for improving corporate governance and sustainable development. Details are as follows:

Stakeholders	 Government and Regulatory Authorities	 Investors and Shareholders	 Customers	 Employees	 Suppliers and Partners	 Community and the Public
Concerns	<ul style="list-style-type: none"> Comply with laws and regulations Ensure the safety and reliability of products Promote technological advancement 	<ul style="list-style-type: none"> Maintain good business performance Operate in compliance with regulations Protect the rights and interests of investors Information disclosure 	<ul style="list-style-type: none"> High-quality products Customer service Information security User privacy Meet the diverse needs of users 	<ul style="list-style-type: none"> Protect employees' rights and interests Improve salary and performance Ensure occupational health Pay attention to training and development Improve development pathways Balance work and life 	<ul style="list-style-type: none"> Conduct procurement in an open, fair, and just manner Abide by contracts Comply with business ethics Achieve mutual benefit 	<ul style="list-style-type: none"> Participate in community development Support social impact undertakings Protect the environment
Communication and Response	<ul style="list-style-type: none"> Inspection reception Annual report Company website Correspondence of official documents 	<ul style="list-style-type: none"> General meeting of shareholders Company announcement Special topic report Reception for visitors 	<ul style="list-style-type: none"> Daily communication User satisfaction survey User review meeting User complaints 	<ul style="list-style-type: none"> Staff assembly Employee suggestion platform Face-to-face communication Employee training 	<ul style="list-style-type: none"> Bidding Face-to-face communication 	<ul style="list-style-type: none"> Community activities

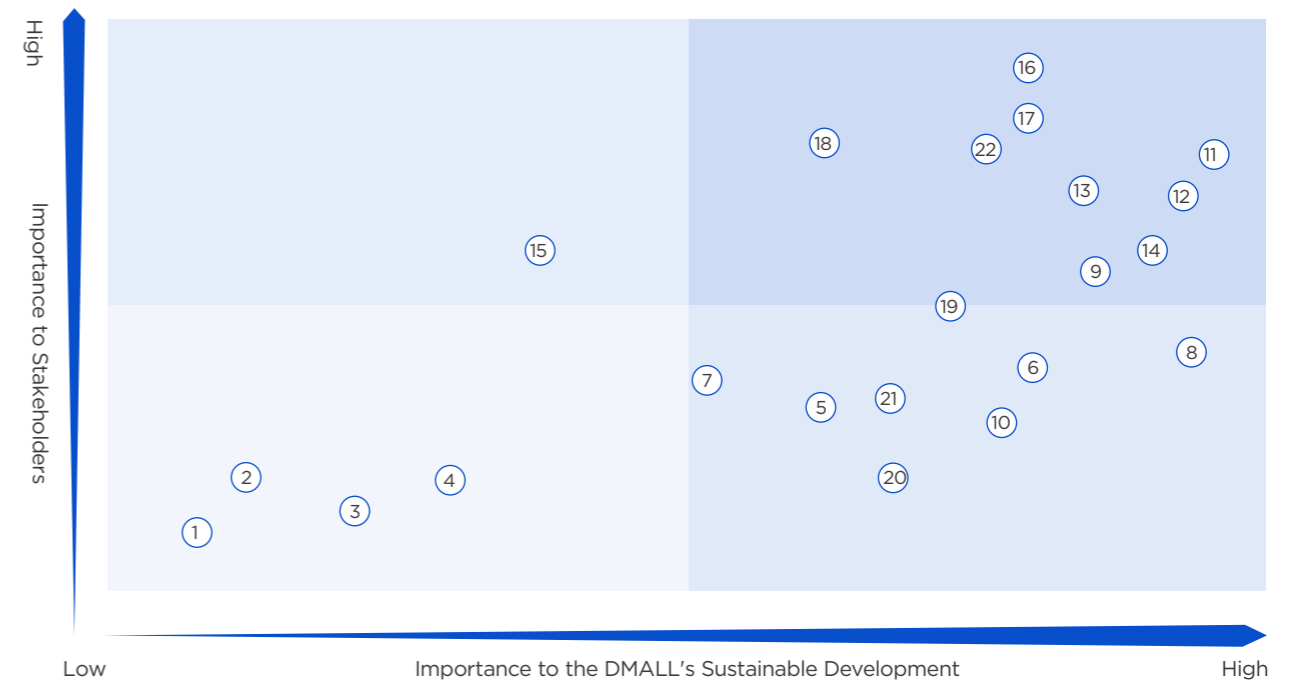
Material Issues Matrix

We annually identify and manage ESG material issues through a systematic process, integrating the materiality assessment into our risk management procedures. Strictly following regulatory requirements and referencing mainstream international ESG disclosure frameworks and standards, combined with our business status, extensive internal and external stakeholder surveys, industry trends, and peer benchmarking, we have identified 22 ESG material issues. We evaluate and prioritize them based on two dimensions: importance to each stakeholder group and importance to DMALL's sustainable development, forming a materiality matrix. Based on the analysis results, we formulate topic management and information disclosure strategies, which, after management review, form the content disclosed in this Report.

Steps for identifying and assessing material issues



DMALL 2025 Materiality Matrix



Environment	Social		Governance
1 Emissions Management	7 Labor Standards	14 R&D & Innovation	21 Corporate Governance
2 Water Resource Management	8 Employee Employment	15 Technology Ethics	22 Business Ethics
3 Climate Change Mitigation	9 Health & Safety	16 Data Security & Privacy Protection	
4 Environment & Natural Resources	10 Development & Training	17 Intellectual Property Protection	
5 Energy Consumption Management	11 Customer Service	18 Industry Advancement	
6 Clean Technology	12 Product & Service Quality	19 Supply Chain Management	
	13 Service Response	20 Community Engagement	

02

Digital Intelligence

Rooted in Retail, Digitally Empowered
Deepening Expertise in Retail Intelligence



Practices Concerning the SDGs

7 AFFORDABLE AND CLEAN ENERGY 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
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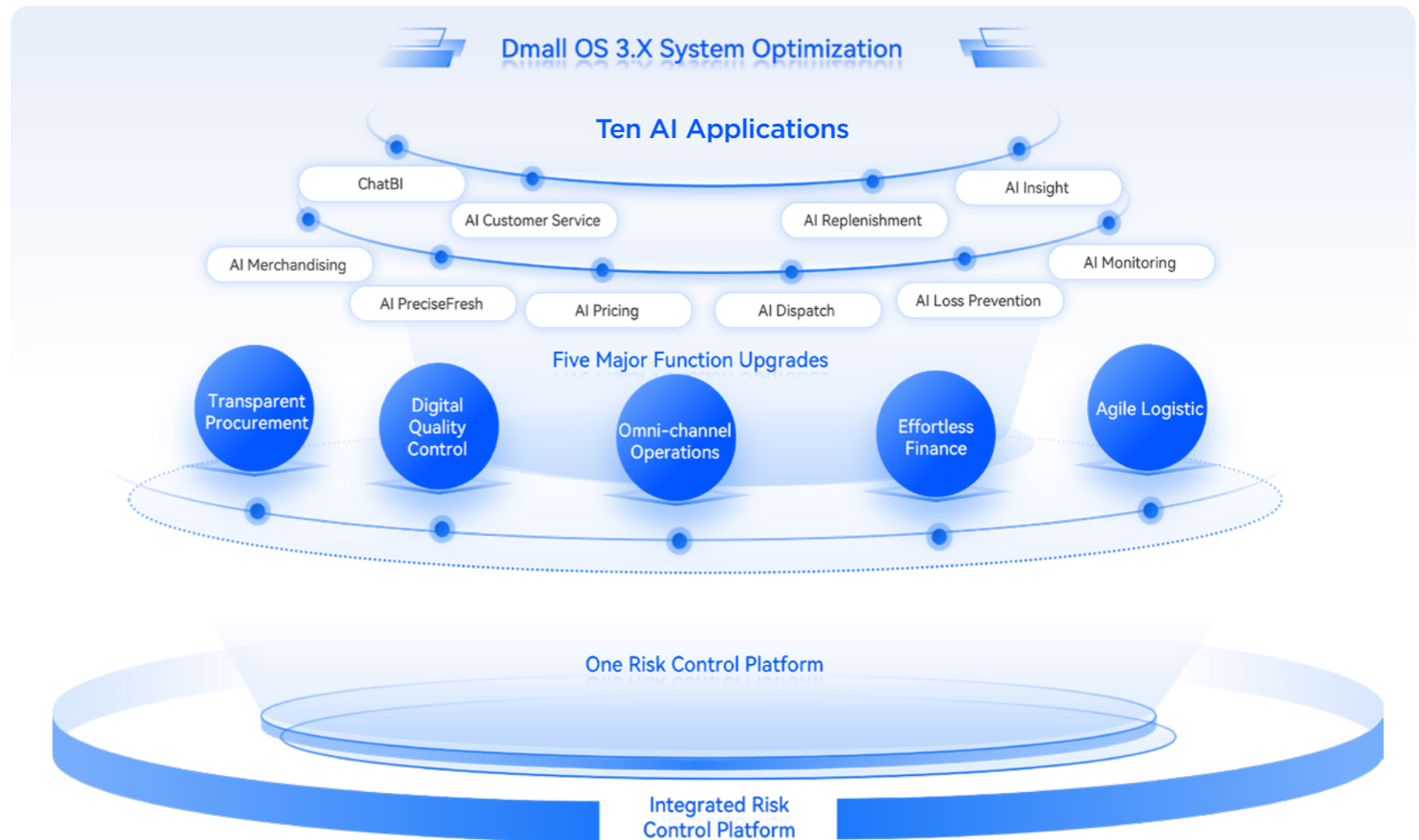
Spotlight

AI Technology Empowers Retail Industry Upgrading

DMALL positions AI as the core driver for the strategic upgrade. We focus on three key directions: "Data Assetization, Intelligent Decision-making, and Operational Automation," building an AI application system based on industry data, powered by large model capabilities, and grounded in retail scenarios. Our main AI implementation paths include leveraging compliant large models combined with our accumulated product, transaction, and operational data to create intelligent analysis and decision support products for retail enterprises. By building industry-specific AI Agents, we embed model capabilities into core business processes like product analysis, inventory management, marketing planning, and customer service, creating a closed loop from data insight to strategy execution.

Dmall OS 3.X System Optimization

Dmall OS 3.X, our next-generation intelligent retail operating system, has evolved from a process-driven to a data-driven, task-oriented intelligent platform. With the product development philosophy of "Function as the Body, Intelligence as the Wings, Security as the Armor," it constructs a one-stop, full-link retail solution.



Integrated Risk Control Platform | Five Major Function Upgrades

The intelligent risk control platform builds a solid security line for the system. Covering the entire business line process from registration and login to transaction, payment, and after-sales, it establishes over 85 risk access points. By deeply integrating scenario-based strategies with model algorithms, it achieves precise risk identification and real-time alerts. The system has accumulated over 2,000 risk strategies and built over 300 risk profiles. During the reporting period, it identified over 10.3 billion risk behaviors, effectively defending against diverse risks including fraudulent orders, scalpers, and fraud, comprehensively safeguarding the funds, accounts, and transaction security of merchants and users, escorting the development of retail digitalization.



Through five core functional upgrades, Dmall OS 3.X systematically restructures the digital infrastructure of the retail industry. These upgrades not only cover full-link retail business scenarios but also leverage AI technology as the engine to drive dual innovation in efficiency and experience.

<p>Transparent Procurement</p>	<p>Digital Quality Control</p>	<p>Omni-channel Operations</p>	<p>Effortless Finance</p>	<p>Agile Logistics</p>
<p>A Tool for Fresh Food Sourcing in Lower-Tier Markets</p>	<p>Upholding Quality, Safeguarding Safety</p>	<p>Enabling Merchant Revenue Growth through Multi-channel Access</p>	<p>Reshaping a New Paradigm of Automated and Paperless Finance</p>	<p>Efficiently Supporting Daily Delivery for Supermarket Chains</p>
<p>Functional Optimization</p>	<p>Functional Optimization</p>	<p>Functional Optimization</p>	<p>Functional Optimization</p>	<p>Functional Optimization</p>
<p>Targeting the complexity of fresh food procurement in lower-tier markets, the Transparent Procurement system enables refined control over procurement costs and quality through supplier tiered management, mobile procurement operations, and full-link loss monitoring. The system upgrades traditional offline negotiation and manual bookkeeping to an online price comparison and intelligent verification process.</p>	<p>The Digital Quality Control module achieves full-link quality control from supplier admission to the point of sale through standardization, online processes, and visualization. The system establishes a multi-dimensional evaluation mechanism, consolidating complex standards such as raw material qualifications and additive specifications into executable data models, and achieves online collaboration of quality control processes through mobile task push notifications.</p>	<p>The Omni-channel Operations function addresses the challenge of retailers operating with fragmented channels. It deeply connects public platforms like Douyin, Meituan, and JD.com through standardized interfaces, achieving integrated member, order, and data management across public and private domains.</p>	<p>The Effortless Finance module, centered around a unified settlement platform, integrates capabilities like AI review, electronic signatures, and electronic invoices, completely transforming traditional financial processes. The system supports flexible configuration of settlement dimensions, automated processing of signatures and invoices, and intelligent risk control through natural language rule configuration.</p>	<p>The Agile Logistics function focuses on supply chain optimization for supermarket chains. By leveraging technologies like intelligent route planning and dynamic routing, it significantly improves logistics response speed and resource utilization. Upgrades experience-driven logistics dispatching to a data-driven intelligent decision system, building a flexible and resilient modern retail supply chain.</p>
<p>Core Value</p>	<p>Core Value</p>	<p>Core Value</p>	<p>Core Value</p>	<p>Core Value</p>
<p>The system can help retailers reduce fresh food procurement costs by 15% and increase operational efficiency by 40%.</p>	<p>Upgrades traditional experience-dependent quality control to a data-driven intelligent management system, ensuring traceability of product quality and safety while significantly reducing compliance risks.</p>	<p>This creates a two-way growth flywheel of "channeling traffic from public to private domains and activating private domains to boost public domains," helping retailers achieve efficient traffic conversion and maximize customer lifetime value.</p>	<p>Achieves automated three-party reconciliation, covering multi-format bills from delivery platforms and payment institutions, increasing financial efficiency by 90% and freeing up over 60% of manpower, driving the transition towards shared services and paperless finance.</p>	<p>The system achieves business results including a 15% reduction in inventory costs, a 16-day decrease in turnover days, and a 15% drop in store out-of-stock rates.</p>

Ten AI Applications

Dmall OS 3.X integrates ten major AI application scenarios, including intelligent product applications like AI Merchandising, AI PreciseFresh, and AI Pricing, as well as operational intelligent applications like AI Dispatch, AI Loss Prevention, and AI Monitoring. These precisely target challenges in the retail industry that heavily rely on experience, manpower, and data, providing replicable technological pathways and practical examples for high-quality retail development.



AI Merchandising: Driving Healthy Category Growth with AI

Business Context

Retailers face structural challenges in category management, including inverted product selection logic, fragmented data, disconnect between headquarters and store needs, high costs of trial and error for new products, and low decision-making efficiency. Retailers are in urgent need of a "consumer demand-driven" digital product selection solution.

Product Introduction

By leveraging four key differentiating advantages—deep integration of consumer data, visualized demand insights, flexible customization capabilities, and dynamic product health scoring, we establish a closed-loop, consumer-centric product selection process across the entire workflow. This approach revolutionizes traditional product selection logic, enabling industries to make a transformative shift from "what suppliers push" to "what consumers want," serving as the core growth engine for AI-driven next-generation retail innovation.

Application Value

Leveraging precise consumer demand insights, the product selection cycle shortened from 14 days to 2 days, new product survival rate climbed from 35% to 68%, and demand fulfillment for high-spending users rose 20%. The optimized product mix increased repurchase rate by 12% and partner category health scores by 5 points, significantly enhancing store efficiency and customer satisfaction.

AI PreciseFresh: Hourly Production Forecasting for 3R Products

Business Context

As consumer demand for fresh, ready-to-eat, high-quality prepared foods (3R products) continues to grow, 3R products have become core drivers for traffic and revenue in retail stores. These products heavily rely on on-site processing, are highly sensitive to time and freshness, and generate significant waste.

Product Introduction

AI PreciseFresh is a new generation intelligent production and preparation decision system. It integrates multi-dimensional features like weather, holidays, sub-categories, case specifications, production capacity, and display, using time series models and multi-variable prediction. Co-built rules and strategies with industry expert experience into model capabilities, guiding overall preparation and real-time processing pace accurately, while supporting voice feedback on store activities and anomalies, upgrading from "passive data viewing" to "active reminders and natural communication."

Application Value

Estimates show AI PreciseFresh has achieved significant results: product-level forecast accuracy $\geq 90\%$, overall product spoilage reduced by approximately 30%. This effectively reduces waste, ensures supply of fast-moving items, and helps stores optimize margin structure and improve personnel efficiency.

AI Pricing: Dynamic Pricing to Balance Sales and Margin

Business Context

In fresh short-shelf-life retail, selling out on time is critical—unsold stock means waste. Markdown clearance is key to controlling waste and boosting revenue. However, traditional models rely on manual work and simple strategies, leading to inaccurate pricing, poor online-offline integration, and high configuration costs.

Product Introduction

By integrating large language models with industry's best practices, AI Pricing enables smarter, real-time, scalable dynamic pricing decisions. It understands complex retail operations, reducing human error and margin loss caused by limited manpower, varying experience, and simplistic price adjustments. Using multi-dimensional data such as historical sales, inventory, real-time sales, holidays, promotions, and weather, the model dynamically generates markdown discounts and supports full-channel coverage.

Application Value

Pilot estimates show full-price sales rate increased by 10%, daily fresh product promotion costs reduced by 15%, achieving breakthroughs in revenue and profit growth while optimizing marketing expenses.

AI Dispatch: The Central Nervous System for Transportation

Business Context

The efficiency and stability of manual route planning and loading are key bottlenecks limiting retailers' logistics efficiency and cost optimization.

Product Introduction

Deeply integrate AI-powered smart load and route planning capabilities with TMS (Transportation Management System), shifting from experience-driven to data-driven operations. By leveraging algorithms, it automatically matches transportation demands with carrier resources, synthesizing multi-dimensional data such as goods, vehicles, road networks, and delivery timelines. Based on deep learning algorithms, the system calculates the global optimal solution in real-time from massive combinations of possible routes, thereby building a quantifiable intelligent load and route planning model for carrier scheduling. This achieves a transition from "manual dispatching" to "intelligent decision-making."

Application Value

Already deployed for multiple domestic and international retail clients, significantly improving transportation efficiency: routing efficiency increased by 80%, number of trips reduced by 15%, on-time delivery rate increased by 10%, highly recognized by clients.

AI Loss Prevention: Self-Checkout Loss Prevention

Business Context

Self-checkout faces high-loss challenges like missed scans and fraudulent scanning.

Product Introduction

Using AI and automation to enable real-time pop-up alerts and interception, reducing waste and labor burden. During the reporting period, the product upgraded to high-performance computing hardware supporting multi-algorithm parallelism and scenario-based online expansion. Real-time algorithms were iterated to improve checkout counter recognition accuracy and effectively exclude non-product interference. A high-value product library was built, with self-learning to continuously optimize recognition and provide separate alerts for "scanning A but taking B" behavior. Visual technology was integrated into weighing-based loss prevention to further streamline processes.

Application Value

Internal estimates suggest AI Self-Checkout Loss Prevention can achieve precise interception and alerts for over 80% of missed scan events through real-time pop-ups.

AI Monitoring: Easily Achieve 7*24 Hour Operation

Business Context

The convenience store industry faces challenges like high nighttime operating costs, labor shortages, and safety risks. Traditional manual attendance models struggle to achieve efficient 24-hour operations.

Product Introduction

In the remote customer service module, the product upgraded its speech recognition model, achieving over 98% accuracy. For loss prevention, it accurately identifies risky behaviors such as tailgating, entering within restricted time windows, and leaving the store with unpaid merchandise, triggering real-time alerts and effectively reducing nighttime operational losses. To address compliance challenges with minors purchasing tobacco and alcohol during unattended nighttime hours, we launched a smart tobacco cabinet hardware and software solution, paired with a mini-program age verification prompt, establishing a compliance safeguard.

Application Value

The AI Monitoring system has been successfully deployed across multiple convenience store clients, including stores under chains like Guangdong 7-Eleven, Sichuan Hongyuan, and Chengdu Laolinju. The system operates with significant effectiveness, achieving qualitative optimization in customer service.

AI Insight: Turning Every Camera into a Digital Eye

Business Context

The supermarket industry faces key challenges: underutilized camera data, difficult cross-camera recognition, low algorithm accuracy, poor efficiency in staff and loss management, and challenges in compliance and privacy control.

Product Introduction

By leveraging AI large and small model collaboration technology, existing security cameras are intelligently upgraded to build a comprehensive, all-scenario management system covering customers, shelves, employees, and loss prevention. The system processes data from nearly 100,000 camera channels through an edge computing center, integrating with loss prevention systems to establish seamless, all-around protection, while adopting a plug-and-play architecture to reduce deployment costs. It achieves a 60% replacement of manual inspections, effectively enhancing store operational efficiency and compliance standards.

Application Value

Internal estimates show the smart store patrol function can replace 60% of manual inspections. The system optimizes shelf layout using traffic data, improving both labor productivity and store space efficiency. It automatically identifies risky individuals, helping reduce store theft and loss rates by 80% and recovering over RMB one million annually.

Additionally, DMALL has launched three other AI products: AI Replenishment, AI Customer Service, and ChatBI. These precisely target core retail challenges: AI Replenishment enables accurate inventory demand forecasting; AI Customer Service ensures intelligent responses to online inquiries and standardized quality checks; ChatBI supports real-time capture and flexible access to all reports. By deeply empowering full-scenario retail operations with AI, we significantly enhance business process efficiency, making business processes more refined and intelligent.

Product Research, Development Management and Innovation

Product Quality Management

We consistently prioritize product quality as our core competitiveness, striving to consistently exceed user expectations through high-quality products and services. In 2025, we further strengthened our quality governance mechanism, leveraging the Product Quality Committee to promote full lifecycle quality management and ensure high-quality product delivery.

Product Quality Management System

Product Design 01

We formulate and continuously maintain the *Dmall OS Design Specification*, unifying user interface, interaction logic, and experience standards to ensure consistency across product lines, effectively improving product quality and user satisfaction.

Product R&D 02

Product R&D management covers key stages such as requirements analysis, design review, code review, and continuous integration, ensuring the accuracy and efficiency of technical implementation. Simultaneously, we define R&D "red lines," setting process boundaries and behavioral guidelines to ensure controlled R&D activities.

Product Testing 03

We formulate the *Dmall Product Testing Process Specification*. The entire testing process relies on our self-developed testing management platform DOT (Dmall One Tester) for data collection, indicator monitoring, and process tracking, ensuring effective implementation of specifications.

Release Management 04

Release management covers the entire process from R&D, testing, to launch: In R&D, we introduce AI programming assistants to improve development efficiency. In testing, we set quality gates and "red lines," combining multi-level testing and using AI to quickly generate unit tests to ensure quality. In the launch phase, we monitor runtime status in real-time via the cloud platform and deploy AI Ops Agents to quickly identify and resolve online issues.

Bug Management 05

For different scenarios, we have respectively formulated the *R&D Process Management - Defect Management Specification* (for bugs in the R&D phase) and the *Online Incident Management Method* (for production environment issues). Through our self-developed DOT platform, we achieve standardized bug logging, status tracking, closed-loop processing, and data analysis, ensuring efficient response to various issues and providing data support for quality improvement.

Quality Management System Certifications and Capability Assessments

Certification	Scope	Validity Period
CMMI5: Capability Maturity Model Integration	Dmall (Shenzhen) Digital Technology Co., Ltd.	July 27, 2028
ISO9001: Quality Management System	Computer Network Software Development	August 5, 2027
ISO20000: Information Technology Service Management System	Service management system for delivering computer application software development services to external customers	November 27, 2028
CSI: Information system construction and service-Capability assessment system	Dmall (Shenzhen) Digital Technology Co., Ltd.	October 20, 2026

Product Research and Development Innovation and Intellectual Property Protection

R&D and innovation are the core drivers of corporate growth. We adhere to the principle of "AI is integral to every product we develop," continuously integrating cutting-edge technologies like artificial intelligence and big data throughout the product lifecycle.

R&D Innovation Achievements

The Company continues to deepen its AI-driven strategy, integrating artificial intelligence technologies deeply into the entire product development lifecycle, and focusing on retail business scenarios to advance technological innovation and product iteration. During the reporting period, we invested RMB 366.106 million in research and development, making significant progress in areas such as core technologies, algorithmic models and AI applications, whilst continuing to build up a portfolio of innovative achievements.

As of the end of the reporting period, we had accumulated 186 authorized patents, 332 software copyright registrations and 282 registered trademarks. Of these, 37 patents and 34 software copyright registrations were newly authorized in 2025.

During the reporting period

As of the end of the reporting period
Had accumulated authorized patents

186

Software copyright

332

Intellectual Property Protection

We place high importance on IP protection, strictly complying with national laws and regulations such as the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*. We have established an IP management system covering the entire chain of rights confirmation, maintenance, compliance, and monitoring. To strengthen top-level design, we have set up a dedicated IP management team reporting directly to the CEO, coordinating IP matters across the Group.



Technology Ethics

In AI applications, we focus on retail scenarios, positioning AI as the core driver for our strategic upgrade. Our collaborating large model vendors are all registered with regulatory authorities, possessing mature technical capabilities in areas like natural language processing and machine learning.

We focus on the three directions of "Data Assetization, Intelligent Decision-making, and Operational Automation," building an AI application system based on retail industry data, powered by large model capabilities, and grounded in retail scenarios. Relying on compliant large models and combining accumulated product, transaction, and operational data, we create intelligent analysis and decision support products for retail enterprises. By building industry-specific AI Agents, we embed model capabilities into core business processes like product analysis, inventory management, marketing planning, and customer service, achieving a closed loop from data insight to strategy execution.

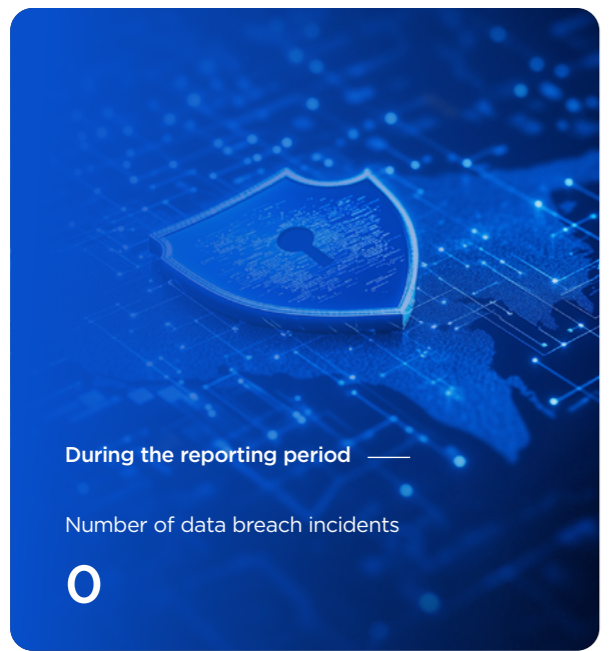
During the data acquisition and processing stage, we strictly comply with relevant laws, regulations, and privacy protection principles, ensuring data legality, security, and accuracy. We improve data quality and model suitability through cleaning, labeling, and structuring. Combined with industry knowledge graphs and structured operational data, AI Agents have achieved functions like product health score analysis, profit structure optimization suggestions, and abnormal operation alerts.

We focus on promoting the implementation of applications like intelligent inventory optimization, precision marketing strategy generation, and intelligent customer service decision support, helping retail enterprises improve inventory turnover, increase marketing conversion rates, and optimize personnel efficiency. Overall, our AI strategy has moved from capability building to the stage of scaled application, continuously driving retail enterprises' digital and intelligent upgrades around the goal of "cost reduction and efficiency improvement."

We strictly follow ethical norms, ensuring the design, development, and application of AI systems meet ethical requirements. We have established a sound ethical review mechanism to comprehensively evaluate and supervise AI systems. For issues beyond the scope of business, the system sets fallback logic and does not answer, effectively avoiding potential risks. Simultaneously, we regularly conduct security tests and vulnerability repairs to ensure system stability and reliability.

Responsible Marketing

DMALL places a high priority on responsible marketing management, strictly complies with the Advertising Law and relevant regulations, and ensures that all marketing activities are lawful, compliant, truthful, and transparent. During the reporting period, we fully revamped our official website to meet business needs and elevate our brand image toward an industry-leading level. The redesign adopted a user-centric approach, restructuring how we present products and solutions while strengthening compliance. We also advanced SEO efforts and adjusted front-end traffic channels to improve brand visibility and information accuracy. Through these efforts, DMALL is committed to building a professional, trustworthy brand presence that effectively supports its sales teams in reaching customers, thereby fulfilling its responsible marketing commitments.



Information Security and Data Security

Information Security Management

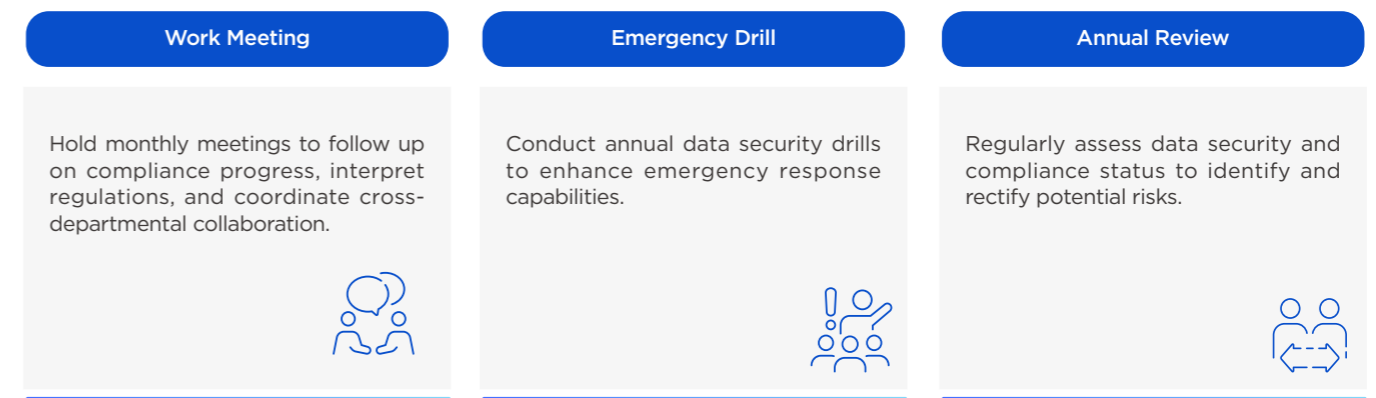
We strictly comply with laws and regulations, including the *Data Security Law of the People's Republic of China*, the *Cybersecurity Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*, and have established a standardized data governance framework covering the entire data lifecycle. We have formulated four core policies: the *Open-Source Component Security and Compliance Management Measures*, the *Privacy Compliance Development Procedures*, the *Personal Information Protection Technical Specifications*, and the *Emergency Incident Response Management System*. Through mechanisms like legal document compliance review, cross-departmental response teams, and contingency plans for major incidents, we comprehensively ensure data security and compliance.

In our overseas business, we strictly comply with the General Data Protection Regulation (GDPR) and data protection laws of the business locations. Based on relevant compliance requirements, we have established clear operational specifications for key areas such as data access rights management, data subject rights response (including correction and deletion), record keeping and provision, data protection impact assessment, and data breach notification. Simultaneously, we clearly define our roles and boundaries as data controller and data processor, ensuring all data processing activities are legal, transparent, and secure.

Information Security Management Framework

We have established a sound data security and privacy protection management structure, with relevant responsibilities fulfilled by various departments and teams according to their functions. This covers key areas such as policy formulation, risk assessment, audit supervision, and emergency response, continuously ensuring data security compliance.

Data Security Compliance Operation Process



Information Security Management System

Aiming to build a secure and trustworthy protection system, we have created a comprehensive security protection system adapted to DMALL's "hybrid cloud, multi-business" characteristics, focusing on secure R&D processes, production environment security, open-source component security, data security, office environment security, and daily security patrol operations. We conduct quarterly security inspections and audits. During the reporting period, we maintained Level 3 certification under China's Multi-Level Protection Scheme (MLPS 2.0), demonstrating a high standard of cybersecurity protection and management capability.

Information Security and Data Privacy Certifications Obtained

Information Safety Management System	Scope	Validity Period
Information Security Management System ISO 27001:2022	Dmall OS and RTA OS application systems	November 2, 2028
Privacy Information Management System ISO/IEC 27701:2019	Dmall OS and RTA OS application systems	November 2, 2028
Cybersecurity Level Protection Assessment (Class III)	Dmall OS Application System	July 16, 2026

Security Safeguarding Product Development

We continuously improve the security management system covering the entire product lifecycle from requirements analysis, design, development, testing, deployment, to operations, ensuring comprehensive implementation of information security and privacy protection requirements at each stage.

Security Requirements Analysis

Systematically identify potential security and privacy risks based on the business scenarios and technical characteristics of different products, incorporating prevention measures early in product planning to achieve proactive risk management.

Safety Design

Fully integrate security requirements during the architecture and functional design phase, delineating clear security boundaries and "red lines" to build an inherent security foundation for the product.

Secure Development

Strictly implement secure coding standards. Conduct in-depth reviews of software structure and logic to ensure code meets security standards, strengthening security while ensuring functionality.

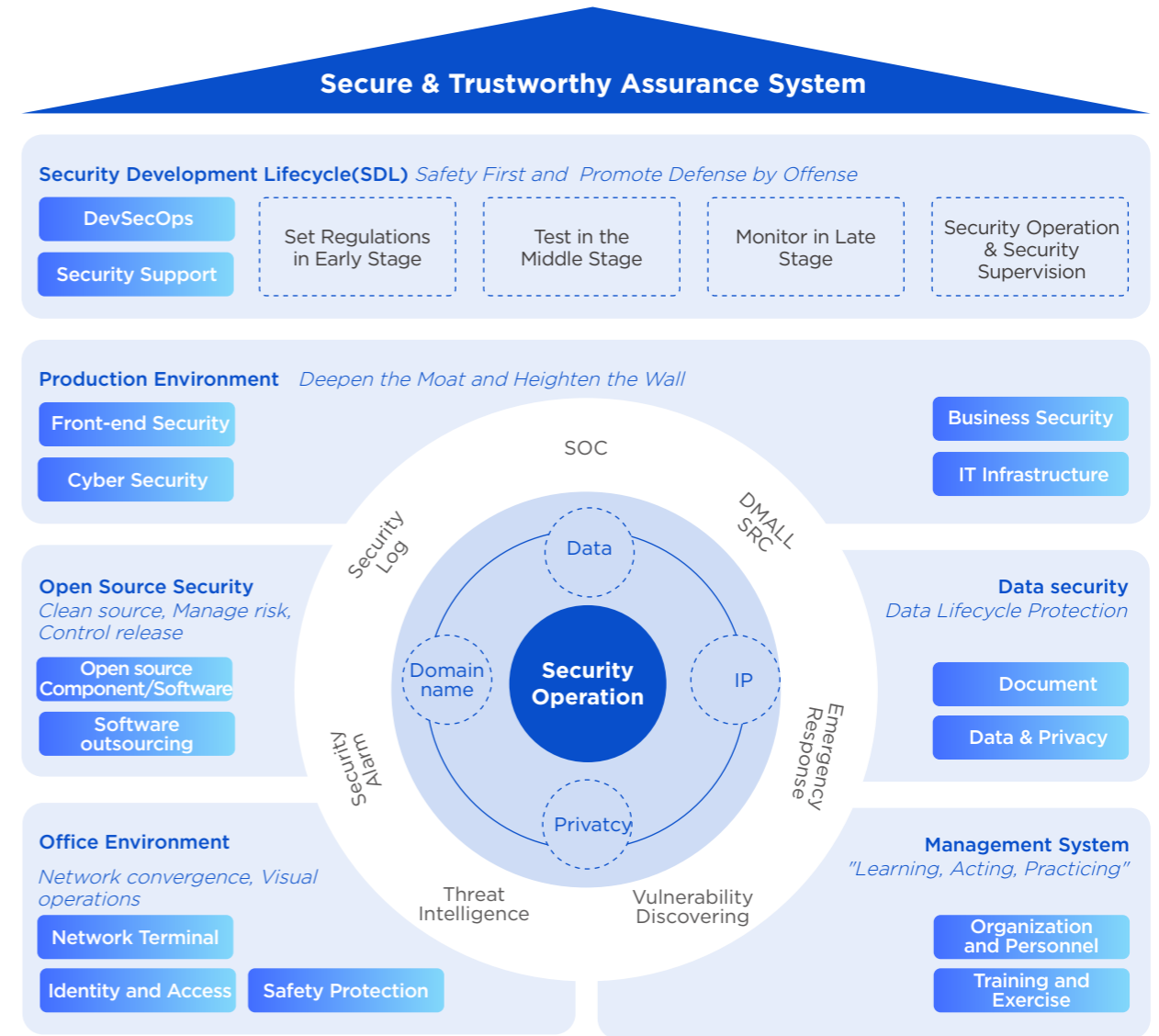
Safety Testing

Conduct specialized verification centered on compliance and privacy protection requirements, comprehensively employing methods such as penetration testing, targeted investigation of 0-day vulnerabilities, and static code analysis, to thoroughly evaluate product security levels and reliability.

Security Deployment and Operations

After product launch, conduct regular security monitoring and compliance reviews and deploy endpoint detection and response mechanisms to monitor endpoint device behavior in real-time, enabling rapid alerting and handling suspicious or malicious activities to ensure a secure and stable operational environment.

Comprehensive Information Security Protection System



Multi-Layered Defense for Production and Office Environments

Our information security construction follows a defense-in-depth strategy of "digging deep moats, building high walls," implementing differentiated and precise security protections for the distinct characteristics of production and office environments.

Our production environment, with the core goal of ensuring high availability and absolute security of core business and data, focuses on "strong isolation and real-time confrontation". Through strict network segmentation, Web Application Firewalls, Intrusion Detection and Prevention Systems, database auditing, and encryption, we have established a security line for external services. We fully implement the OS Production Environment Data Operation Specifications to ensure the security and compliance of data operations within the production environment.

Our office environment focuses on preventing infiltration and controlling endpoints, preventing the internal network from being used as an attack springboard and protecting intellectual property and sensitive information from leakage. Through network firewalls, unified endpoint security management, email security gateways, and internet behavior audits, we strengthen internal threat prevention. Employee access rights are granted on a need-to-know basis and managed through strong identity authentication mechanisms.

Both environments adhere to the fundamental principle of "strict permission control and clear accountability assignment." Relying on the integrated security operations center, they achieve visualized monitoring and coordinated response, ensuring the Company's overall security protection system remains consistently effective and operates in a closed-loop manner.

Strictly Manage the Use of Open-source Software

Third-party open-source components are a vital pillar of modern software development. To systematically address compliance and security risks associated with open source, we have established a cross-departmental special governance working group involving the Infrastructure Systems & Platform Architecture Center, Legal & Compliance Department, etc. Leveraging the Security Operations Center (SOC) platform and the self-developed DOT testing platform, we have built a full-cycle control mechanism covering introduction, use, and release.

In 2025, we strengthened source control by embedding open-source license compliance review into the component introduction stage and formally implementing a standardized five-step approval process: submission by applicant, followed sequentially by technical review, legal & compliance review, security assessment, and Architecture Committee approval. Based on risk level, low-risk components can be auto-approved, while high-risk or conflicting components require joint review by multiple departments and may be prohibited if necessary.

Governance work achieves unified license standards, traceable application processes, and mandatory release checkpoint blocking through the SOC platform. Simultaneously, relying on the DOT platform integrating self-developed code scanning tools and Qi An Xin SCA capabilities, efficiently supporting component identification and risk analysis for over ten thousand code repositories. We have issued the *Third-Party Component Open-Source License Control Requirements* and established a quarterly audit and review mechanism jointly with the Retail Cloud Center AI R&D Department, Legal & Compliance Department, and Infrastructure Systems & Platform Architecture Center, continuously ensuring open-source usage compliance.

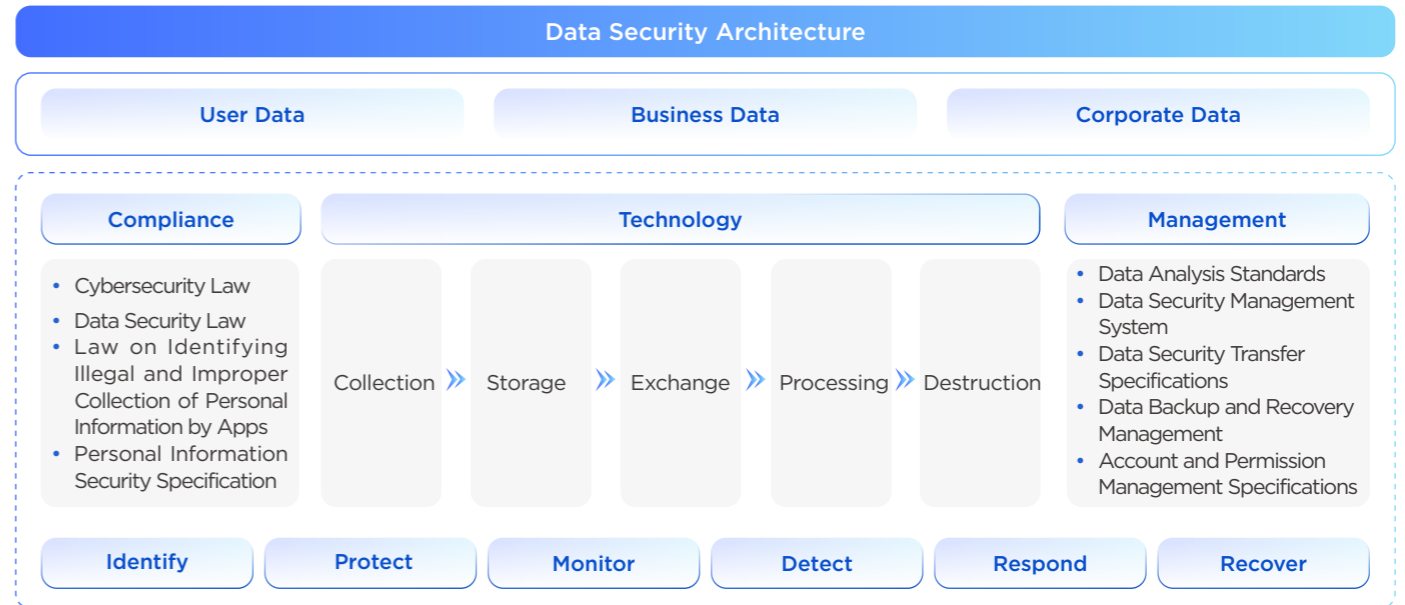
Full Lifecycle Protection of Data Assets

Guided by compliance requirements, supported by security technology, and safeguarded by management systems, we have established a security management mechanism that covers the entire data lifecycle, spanning collection, storage, exchange, processing, and disposal.

During the data collection phase, data cleaning, labeling, and classification by sensitivity level are conducted concurrently, following the principle of minimal necessity and with user consent obtained. Access control is implemented according to data sensitivity levels, ensuring that only authorized personnel can access data within necessary limits. During storage and usage, sensitive information is protected through technical measures such as encryption and data anonymization to ensure "usable but invisible." All operations involving sensitive data require prior approval; data exchanges are fully encrypted, and exports of high-sensitivity data are subject to quantity and format restrictions to prevent usage beyond authorized scope. Data destruction follows differentiated strategies based on sensitivity levels, covering primary databases, backup systems, and logs, ensuring information is irrecoverable. Through comprehensive operational auditing, monitoring of anomalous behaviors, and security capabilities including "identify, protect, monitor, detect, respond, and recover," the system ensures data flows are traceable, risks are proactively alerted, and issues are managed in a closed-loop manner.


Meanwhile, we have established an independent and isolated internal R&D network, integrating firewalls and intrusion detection technologies to effectively shield against external threats. Critical data is stored domestically and protected through offsite backups and regular recovery drills, ensuring business continuity and data reliability.

Data Security Architecture Diagram



Information Management Measures


To ensure the security and stability of our information systems, we have established an information security management system combining platform-based operations with in-depth manual verification, specifically including the following two measures:



Security Operations Center (SOC) Platform

The SOC platform centralizes the management and closed-loop operations of security capabilities, focusing on three core functions: asset management, vulnerability scanning, and special tasks.

Asset Management	Vulnerability scanning	Special Task Management
Conduct full-port scanning of internet and intranet IP addresses and domains in the production environment on a quarterly basis to identify active assets and collect fingerprints (e.g., website titles, product types), ensuring assets are visible and controllable.	Automatically perform vulnerability scans based on the asset inventory. Identified issues are incorporated into the vulnerability lifecycle management system and addressed collaboratively by the security and R&D teams to achieve closed-loop vulnerability remediation.	Support business units in initiating penetration testing requests or enable the security team to proactively launch special campaigns (e.g., weak password identification), with task execution and reporting centrally tracked on the platform.



Strengthen Manual Penetration Testing Mechanism

On top of automation, we continuously strengthen in-depth manual testing.

- Receive vulnerabilities submitted by white-hat hackers (cybersecurity technicians) through the Security Response Center (SRC) platform and synchronize them to the SOC platform for unified management;
- The security team conducts quarterly black-box penetration tests on internet-facing systems, simulating intrusions from an attacker's perspective, with a focus on identifying business logic vulnerabilities (such as privilege escalation, unauthorized access, weak passwords) and risks categorized in the OWASP Top 10. Test findings are also integrated into the SOC platform for closed-loop remediation.

Data Emergency Response

To ensure the security of sensitive data and enhance our response capability to data breaches, we have established a sound data security management system and emergency response mechanism. We strengthen measures in key control areas, ensuring rapid response in case of incidents to minimize impact and meet compliance requirements.

Main processes of data breach incident response management



Incident Discovery
The monitoring team identifies leakage risks, compiles briefings, and reports data security issues.

Emergency Response
Quickly establish an emergency response task force to confirm incident details, assess impact, and determine the response level.

Investigation & Forensics
Analyze the leakage point, retrieve system logs, trace the attack path, and assess legal liabilities.

Summary & Improvement
Review the incident, optimize processes, implement improvement measures, and enhance overall security protection capabilities.

Remediation & Hardening
Fix security vulnerabilities, optimize security policies, and strengthen data protection measures.

In 2025, in alignment with the practical requirements for cybersecurity, we organized a series of exercises involving the Dmall & RTA security team, Dmall & RTA operations and maintenance team, and the heads of various R&D centers, covering internet-facing attack and defense, office network attack and defense, as well as emergency response to cyberattack incidents.

This exercise framework continuously evaluates the effectiveness of security technologies and response procedures, as well as identifies potential gaps, through mutual attack and defense between Dmall and the RTA Security Team. At the same time, it advances incident response drills in alignment with real-world attack scenarios to verify capabilities in rapidly detecting, blocking, and responding to cyber threats.

Internet-based cyber-attack and defense exercise



Conduct attacks from the internet side from the perspective of a real attacker, aiming to obtain host operation privileges, business data access rights, and office network access rights, thereby enhancing internet boundary security defenses through offensive measures.

Offensive and defensive exercise on the office network side



This exercise simulates a scenario in which internet perimeter defenses fail and office endpoints are compromised, launching attacks from within the internal network. It focuses on evaluating the robustness of the layered defense system and the timeliness of incident response, as well as verifying the effectiveness of compensating security controls.

Emergency Response Drill for Cybersecurity Incidents



Simulate real-world network attack scenarios to evaluate the standardization and execution efficiency of coordinated incident response mechanisms through full-process monitoring, traceability, and handling, and to verify the effectiveness of key measures such as emergency procedures and SOC-integrated blocking actions.

Security Awareness Training

We highly value the cultivation of employee security awareness and skills, positioning security training as a cornerstone of risk prevention. We have established a systematic and regular security management training mechanism, continuously updating training content to ensure its timeliness, practicality, and relevance to business, effectively building a security defense line.

Training Topic	Training Content
Vulnerability Sharing Series: Business Logic Vulnerabilities	Focus on typical business logic vulnerabilities like privilege escalation, payment bypass, process skipping. Through real case analysis and reproduction, enhance R&D and testing personnel's ability to identify and defend against non-technical security risks.
Anti-phishing Attack Training	Promote awareness of common attack methods such as phishing emails, spoofed links, and social engineering to strengthen employees' security awareness and ensure they understand the procedures for identifying and reporting incidents, thereby reinforcing the human defense line.
Security Technical Specifications and Coding Requirements	Define the requirements for the entire secure development lifecycle, covering key coding standards such as input validation, authentication, and logging & auditing, to promote security shift-left and reduce vulnerability introduction at the source.
Open-Source Component Security & Compliance Usage Training	Explain the approval process for introducing open-source components, license compliance, vulnerability monitoring, and update mechanisms, ensuring efficient reuse in development while meeting both security and legal requirements.



Excellence in Customer Service

Project Management and Delivery

We have established a full lifecycle service system centered on customer needs. In the early stage, our Customer Service Team engages in in-depth communication and research to precisely identify customer needs and formulate phased implementation roadmaps. During the delivery phase, we provide on-site support, ensuring project progress and quality through weekly meetings, visualized dashboards, and milestone acceptances, while simultaneously conducting knowledge transfer to empower the customer team. In the post-sales phase, we establish a "three-level escort" system, relying on the *Service Level Agreement (SLA)* guarantees, continuous product upgrades, and monthly review mechanisms. Combined with satisfaction surveys, ROI analysis, and demand forecasting, we drive continuous service optimization, comprehensively maximizing customer value.

Service Dimensions and Key Implementation Points

Service Dimension	Key Implementation Points
Full Lifecycle Partnership, Seamless Connection	Services span the entire project lifecycle: during the research phase, frequent communication ensures an in-depth understanding of the client's business; during the go-live phase, on-site support for no less than 5x8 hours is provided to ensure a smooth system transition; during the operations and maintenance phase, a hybrid support model combining remote and on-site assistance is adopted to guarantee business continuity.
Tiered Response, Timely Guarantee	Establish a strict Service Level Agreement (SLA) with tiered issue handling: For Level 1 incidents (system outage), commit to 100% recovery with response and resolution measured in minutes; for Level 2 incidents (functional abnormalities), require 100% resolution to ensure business risks remain under control.
Resource Aggregation, Triangular Collaboration	Assign a dedicated "Product Manager + Developer + Delivery Consultant" triad team for each project to enable efficient cross-department collaboration, reduce communication costs, and respond quickly to customer needs.
Proactive operations and maintenance, risk mitigation in advance	Dedicated technical consultants conduct regular on-site inspections and remote monitoring to proactively identify and address potential issues, rather than responding passively to fault reports. Meanwhile, AI tools are utilized to assist in drafting solutions and providing intelligent Q&A, enhancing service efficiency and quality.

Customer Relationship Management

Customer Communication Channels

We have established five major customer service support channels, including online tickets, human and AI customer service, intelligent voice hotline, expert support, and account managers, to comprehensively solve various problems customers encounter while using our products. Online tickets primarily handle product functionality, data, and configuration issues; human and AI customer service can answer customer questions in real-time; the intelligent voice hotline provides efficient self-service relying on speech recognition and semantic understanding technologies; the expert support team quickly responds to complex technical problems; account managers provide professional solutions and consulting services based on business needs. Currently, customers can submit feedback through entry points such as the 400 hotline, online customer service, ticket system, and account managers. All issues are handled based on tiered classification according to the *Online Incident Management Method* and the *Service Level Agreement (SLA)*, ensuring response quality and timeliness, continuously improving customer satisfaction.

Customer Information Security Protection

To protect customer business secrets and personal privacy, we have established a data security protection system covering the full lifecycle according to the *DMALL Personal Information Protection Management Method*. Regarding project materials management, we strictly maintain the confidentiality of functional requirements, system documents, and related materials, preventing leakage to third parties. System accounts use unique identifiers, complex passwords, regular changes, and login failure locking mechanisms. Operation logs fully record user login times, device information, and business activities, ensuring full traceability. Permissions are finely configured by user groups, regional entities, roles, and individuals, with regular security audits. Prior to business system upgrades, disclose upgrade details and version information to customers, and implement a phased rollout upon customer confirmation to ensure secure deployment.

Simultaneously, we fully protect customers' legal rights as data subjects, supporting them in exercising rights of access, rectification, erasure, and restriction of processing in accordance with applicable laws and regulations. We have established identity verification and response mechanisms to handle related requests promptly within statutory time limits.

Customer Satisfaction Management

Customer Complaint Management

Rapid Response and Reassurance

Upon receiving a customer complaint, the Customer Success team proactively contacts the customer immediately to understand the details, express concern, convey attentiveness and support, and help stabilize the customer's emotions.

Issue Identification and Collaborative Resolution

Collaborate with product, operations, and related teams to conduct an in-depth root cause analysis:

- If the issue is due to failure to meet SLA standards on the Company's side, initiate the internal escalation process to prioritize and resolve it promptly;
- If the issue is caused by the customer's side, patiently explain and provide feasible solutions or optimization recommendations.

Continuous follow-up and feedback

Conduct continuous follow-ups after issue resolution to confirm customer satisfaction and collect feedback for optimizing service processes, creating a closed-loop improvement cycle.

Customer Service Training

We place strong emphasis on strengthening the capabilities of our customer service team, and we design and implement multi-dimensional training programs aligned with our products and service needs to continuously enhance service professionalism.

Training is divided into two phases: pre-job and on-the-job. Pre-job training combines off-duty study with assessments to ensure that newly hired customer service representatives fully understand back-end business logic, functional operations, and how to handle common customer issues. On-the-job training involves regular internal departmental learning sessions to help customer service staff stay updated on product feature changes, typical bug resolution, and standard operating procedures, with periodic specialized training sessions on back-end functionality analysis and differences in new products.

Through various formats including traditional lectures, online learning, and hands-on exercises, we comprehensively enhance the customer service team's understanding and application capabilities regarding product features and service processes, effectively ensuring they provide efficient and professional support to customers.

Customer Review

The Customer Success team, in collaboration with internal departments like Operations and Product R&D, regularly conducts review meetings to continuously optimize service experience and deepen bilateral cooperation.

Review Meeting Type	Main Content
Monthly Operations Review	Focus on reviewing operational efficiency, timely problem identification, and process optimization to ensure service stability and responsiveness.
Semi-annual Business Review	Comprehensively review the operation and maintenance status, system utilization effectiveness, and highlight key features; preliminarily plan the cooperation direction for the next year to provide reference for annual planning.
Annual Review Meeting	Comprehensively review the annual operational performance, system usage, and key achievements; recommend modules with proven effectiveness to other merchants; develop the collaboration plan for the following year, defining clear priorities and objectives. As the most important annual review meeting, we invite senior leaders and business line managers from both sides to participate, ensuring strategic alignment and deepened collaboration.



Customer Empowerment

The Customer Success team, with deep expertise in the retail industry, leverages a strong understanding of business needs, combined with data insights and technical capabilities, to deliver tailored support to retailers, helping them improve operational efficiency, advance omni-channel transformation, and strengthen long-term competitiveness.



Data-driven decision making to enhance operational efficiency

Integrate retailers' online and offline data to generate precise business insights, helping optimize inventory, streamline procurement, and reduce operational costs. By leveraging AI algorithms to analyze sales trends, provide recommendations for product placement and inventory optimization, effectively shorten inventory turnover days, and improve capital efficiency.



Build omnichannel capabilities and enhance consumer experience

Integrate online and offline consumption scenarios, leveraging AIoT technology to combine offline behaviors with online preferences, enabling precise marketing and personalized services. Meanwhile, ensure consistent service quality by continuously monitoring key metrics such as order fulfillment rate and customer satisfaction.



Long-term companionship, continuously co-creating value

Conduct regular review meetings to evaluate system usage effectiveness, operational efficiency, and collaboration outcomes, and iteratively improve solutions based on feedback. Through continuous technical support, training empowerment, and strategic alignment, help retailers maintain a leading position in their digital transformation journey.



Ecological collaboration to reduce integration costs

Deeply integrated with high-quality ecosystem partners, we provide one-stop digital solutions that significantly reduce the complexity and cost of system integration, while ensuring flexibility and scalability to meet retailers' needs at different stages of development.



03 Mutual-benefit

Leading the Future, Empowering Industries

Driving Innovative Development



Practices Concerning the SDGs



Promoting Industry Development

Empowering the Development of Industry Ecosystem

DMALL actively participates in building the industry ecosystem, having joined multiple national industry associations, continuously contributing to the digital transformation, standardization, and internationalization of the retail industry. We serve as an Executive Director unit in the China Chain Store & Franchise Association (CCFA) and are members of its Overseas Development Committee, AI Committee, and Digitalization Committee, deeply involved in industry topic discussions and standard setting. We are also an Executive Director unit in the China Enterprise Evaluation Association, a Vice President unit in the China General Chamber of Commerce, an Executive Director unit in the China Federation of Logistics & Purchasing, and a member unit in the All-China Federation of Industry and Commerce IoT Committee. We maintain high-frequency interaction with all sectors of the industry, helping to build a collaborative, open, and sustainable business ecosystem.



DMALL participating in CCFA Executive Council meeting

We widely participate in important domestic and international industry summits and events, continuously exporting AI retail innovation practices and industry insights. In the domestic market, we deeply participate in authoritative exhibitions and forums such as CHINASHOP, Alibaba Apsara Conference, and China International Retail Innovation Convention. We not only showcase our core product matrix including AI Merchandising, AI PreciseFresh, and AI Loss Prevention but also establish our industry technology benchmark position through inclusion in authoritative reports like the CGF China Supply Chain Digitalization Case Collection and Deloitte's AI White Paper.

Case: CCFA CHINASHOP and All-Retail AI Spark Conference

The China Retail Expo (CHINASHOP), established in 1999 by the China Chain Store & Franchise Association (CCFA), has evolved over more than two decades into Asia's largest retail professional exhibition and one of the top three globally, consistently leading and driving progress and innovation within China's retail industry. Since 2019, DMALL has actively participated in this industry event, launching new products and sharing innovative concepts, demonstrating the Company's ongoing commitment to advancing retail technology and empowering industry development.

On May 8, the first retail industry conference focusing on AI technology applications—the "All-Retail AI Spark Conference"—was held in Shenzhen. The event brought together over 100 prominent guests from global technology and retail sectors, along with more than a thousand enterprise representatives, to discuss real-world implementations and future prospects of AI technology in the retail industry.

At the conference, Hao Chunqiang, Vice President of DMALL, delivered a keynote speech titled "AI Empowering Efficient Retail Operations," elaborating on DMALL's concept of AI New Quality Retail and detailing application practices such as reconstructing products with AI, empowering operations with AI, optimizing processes with AI, and enhancing experiences with AI.



Case: Alibaba Apsara Conference

At the 2025 Alibaba Apsara Conference, Ren Zhongwei, Partner at DMALL, delivered a keynote speech titled "AI Innovation and Global Practice in Digital Retail." Addressing the common operational challenges faced by physical retailers, he proposed that AI technology will be a key support for industry breakthroughs.

At the conference, DMALL showcased its AI retail product matrix, built on the Tongyi large model. This includes multiple agent applications such as intelligent replenishment, intelligent dynamic markdown, intelligent product planning, and intelligent store operations, aiming to build a full-process intelligent closed loop from "product-store-operation-decision-execution-feedback." Through core capabilities like personalized recommendations and reduction of high-frequency losses, it helps retail enterprises achieve operational restructuring. The "AI Merchandising" project, co-created with Alibaba Cloud, has been successfully implemented and demonstrated significant results in benchmark cases like Xinhua Department Store Wuzhong Wanda Store and Wumart Xueqing Road Store, providing a replicable path for the industry.



Case: Huxiu Think Tank AI Implementation Study Camp

In November 2025, DMALL partnered with the Huxiu Think Tank to launch an AI implementation research program themed "What Should Organizations and Cultures Adapted to AI Productivity Look Like?" The program aimed to explore how AI technologies are reshaping the organizational structures and cultural foundations of the retail industry. Conducted in an immersive format combining on-site visits with in-depth discussions, the program began with participants touring the Wumart Xueqing Road store to observe firsthand the practical applications of AI technologies. This was followed by a roundtable discussion and specialized presentations held at DMALL's headquarters, where experts engaged in lively discussions on topics such as the profound impact of AI on retail and the development of next-generation AI-powered retail stores. The event not only provided a high-value platform for industry exchange but also further strengthened external recognition of DMALL's AI implementation achievements and industry insights.



In the overseas market, DMALL made its international brand debut at platforms such as NRF 2025 Retail's Big Show Asia Pacific, Huawei Thailand Digital and AI Summit, and GTC. We jointly released the *White Paper on Current Status and Trends of Overseas Expansion for China's Retail Digitalization Enterprises* with Frost & Sullivan, systematically elaborating on the path for Chinese technology to expand internationally. Through strategies like exhibition participation, keynote speeches, Case releases, and ecosystem collaboration, DMALL has built a multi-dimensional industry influence covering technology, capital, and industry, effectively contributing to consensus formation and ecosystem prosperity in the retail digitalization industry.

Case: NRF 2025 Retail's Big Show Asia Pacific, Singapore

In June 2025, DMALL, as a representative Chinese digital technology enterprise expanding overseas, made its debut at NRF APAC 2025 in Singapore. At this exhibition, we not only showcased our latest AI product matrix, benchmark practice cases, and ESG achievements but also, in partnership with global growth consulting firm Frost & Sullivan, globally launched the *White Paper on Current Status and Trends of Overseas Expansion for China's Retail Digitalization Enterprises*, deeply analyzing opportunities and paths for Chinese retail digital enterprises expanding internationally, providing forward-looking insights for the industry.

At the exhibition, DMALL, together with hardware ecosystem partners Urovo and Superhii, presented a software-hardware integrated solution. Interactive demonstrations of digitalization devices like PDAs, intelligent shopping carts, and electronic shelf labels vividly illustrated how technology integration drives retail operational efficiency and consumer experience improvement. This initiative not only showcased DMALL's technical strength and ecosystem integration capabilities but also provided a referenceable Chinese digitalization practice sample for global retailers, further consolidating our industry influence in the Asia-Pacific market.



Case: Huawei Thailand Digital and AI Summit 2025

In May 2025, DMALL, as a Huawei partner, was invited to participate in the 2025 Huawei Thailand Digital and AI Summit held in Bangkok. Jointly organized by Huawei and Thailand's Ministry of Digital Economy and Society, the summit attracted over 2,000 government and industry representatives to discuss opportunities in ASEAN's digital economy development.

At the summit, DMALL shared the practice of its AI Intelligent Replenishment solution. This solution, through deep integration of AI and big data, automatically analyzes product sales fluctuations and calculates dynamic safety stock, effectively optimizing inventory structure and achieving dual reduction in out-of-stock rates and inventory costs. This sharing not only demonstrated DMALL's technical strength in retail digitalization but also aligned with Thailand's national digital competitiveness enhancement plan's demand for AI innovation. As a company already deployed in multiple Southeast Asian countries, DMALL will continue promoting the deep application of AI technology in the retail industry, jointly building a green and prosperous digital ecosystem.



Case: China-Southeast Asia Greater Consumption Digital Innovation Forum 2025

In December 2025, the 3rd China-Southeast Asia Greater Consumption Digital Innovation Forum was held in Bangkok, Thailand. Under the theme "Foreseeing the Future, Creating the Present with Intelligence," the forum focused on the impact of digitalization on innovation in the consumer goods sector. DMALL was invited to attend as a representative retail digitalization enterprise.

At the forum, Ren Zhongwei, Partner at DMALL, shared the Company's core strategy in the AI wave - building and continuously iterating our intelligent retail operating system, upgrading from Dmall OS 1.0 to version 3.0 deeply integrated with AI technology, providing retailers with full-link intelligent solutions. We firmly embrace AI technology, striving to achieve "retail data assetization" and transform data into tangible business value.

At the application level, using "AI Merchandising" as an example, DMALL demonstrated how, through in-depth analysis of consumer demand data, it can reversely drive procurement decisions, optimize category structure, and achieve "wide category, narrow product selection," ultimately maximizing store revenue per unit area. This case illustrates the key role of technology in efficiently matching "people, products, and place," providing a referenceable digital transformation path for the retail industry in Southeast Asia and globally.



Promoting the Development of Industry Standards

Standard Name	Standard Number	Committee of Standardization
Requirements for basic functions of management information system of retail enterprise	GB/T 17917-2025	Ministry of Commerce
Vocabulary for commercial automation	GB/T 18184-2025	
Evaluation indicators for informatization level of retail enterprises	SB/T 10375-2025	
Specification for Retail Store Inventory Management	SB/T 11805-2025	Ministry of Commerce, China Chain Store & Franchise Association (CCFA)
Specification for on-demand delivery service	GB/T 42500-2023	National Technical Committee on Logistics of Standardization Administration of China (SAC/TC 269)
Guidelines for Loss Prevention in self-checkout area	T/CCFAGS040-2023	China Chain Store & Franchise Association (CCFA)
Classification of convenience store	SB/T11084-2022	National Technical Committee on Commercial of Standardization Administration of China (SAC/TC 430)
Specification for operation of convenience store	SB/T10808-2022	National Technical Committee on Commercial of Standardization Administration of China (SAC/TC 430)
Evaluation Standard for Company of China New Economy	TCEEAS001-2022	China Electronics Enterprises Association (CEEAS)
Product source data-product attribute information specification Part 1: Common attributes	T/CABC2.1-2022	China Association for Bar Code Technology and Application (CABC)
Specification for acquisition of product source data	T/CABC1-2022	China Association for Bar Code Technology and Application (CABC)

Promoting Sustainable Supply Chains

We place high importance on building a sustainable supply chain, establishing a comprehensive supplier management system covering the entire chain. Through internal systems such as the *Procurement Management System*, the *Overseas Procurement Management System*, the *Supply Chain Procurement System*, the *Supplier Management Measures*, and the *Bidding Management System*, we clarify procurement responsibilities and processes, establish and refine the supplier management system, and ensure full lifecycle management for all product and service suppliers, thereby ensuring supply chain compliance and stability.

Supplier Management Process

Supplier Management Standard

Our supplier management centers on the core goals of "standardizing processes, improving quality and reducing costs, compliance and risk control." Closely aligned with the characteristics of the retail digitalization business, we establish core standards of "QCDS (Quality, Cost, Delivery, Service) equally valued, fairness and impartiality, integrity and compliance," balancing domestic and international procurement differences and the need for efficient supply chain collaboration to strengthen end-to-end procurement security.

Supplier Selection

Selection and approval follow rigid access standards. Suppliers must possess independent civil liability capacity, sound financial systems, and corresponding qualification certificates. Such compliance is verified through a three-step process of sourcing research, sample testing, and on-site inspection. If demand changes or the number of valid quoting suppliers is insufficient, the Procurement Department initiates a termination request, voiding the bid and restarting the procurement process.

Supplier Qualification Spot Check

Focusing on risk prevention and qualification traceability, conduct regular qualification spot checks on suppliers to strengthen the security of supply chain procurement. The spot checks follow a quarterly cycle, establishing a closed-loop management rhythm of "batch collection - quarterly inspection - dynamic updating," ensuring continuity and timeliness in qualification review.

The sampling inspection scope comprehensively considers factors such as procurement amount proportion and project frequency, covering key business areas. The inspection process includes: initially issuing written notifications to suppliers; during the process, systematically reviewing qualification documents such as business licenses, production permits, and ISO system certifications according to established standards, with a focus on verifying the validity of credentials, alignment of business scope, and compliance of certification bodies, while simultaneously identifying legal risks and administrative penalties via Tianyancha; and in the final stage, comparing information in the database, prompting updates for any changes, and completing archiving procedures.

Cross-departmental Collaborative Procurement

Led by the Procurement Department, we form a procurement project team integrating the demand department, Finance Department, and Legal & Compliance Department, creating a closed loop of "demand submission - sourcing and evaluation - bid evaluation and awarding - contract performance - post-sales assessment." The demand department defines technical standards, the Finance Business Partner reviews budgets and payments, the Legal Business Partner verifies qualifications and contract terms, and the Legal & Compliance Department monitors process compliance, ensuring comprehensive and fair evaluation.

Supplier Evaluation

Daily monitoring involves "dynamic recording + semi-annual appraisal." Quantitative scoring and tiering are conducted around price, delivery time, quality, and after-sales service. For D-tier suppliers, we issue formal rectification notices; if rectification fails within the deadline, cooperation qualification is revoked. Simultaneously, we will strengthen the continuous compliance capabilities of suppliers, strictly adhere to anti-commercial bribery clauses, eliminate improper contacts and benefits transfer. Violators will be notified for disciplinary action or placed on a cooperation blacklist.

Supplier ESG Management

To further promote sustainable development in the supply chain, in October 2025, we released new versions of the *DMALL Supplier Commitment Letter* and the *DMALL Supplier Code of Conduct*. Regarding business ethics, we explicitly require suppliers to prohibit commercial fraud, commercial bribery, and conflicts of interest, adhering to fundamental principles of legal and business ethics. Regarding social responsibility, we emphasize the protection of labor rights and high standards for safety and environmental protection, comprehensively promoting a compliant, transparent, and sustainable supply chain.

During the reporting period, *DMALL strengthened* its integrity and anti-corruption management with suppliers, signing the *DMALL Supplier Commitment Letter* with 359 suppliers and conducting the Code of Conduct awareness sessions for their contacts, achieving good results. We actively carry out supplier training to strengthen supplier anti-corruption culture. During the reporting period, we conducted 3 supplier ESG training sessions, achieving 100% coverage for supplier anti-corruption training.

During the reporting period

Conducted supplier ESG training sessions

3

Coverage rate of anti-corruption training for suppliers

100%

Green Procurement

We continuously strengthen green procurement. During the reporting period, we focused on three core categories: administration, warehousing and logistics, and supermarket consumables. Using green certification and standard testing as core methods, combined with a supplier tiering management system, we build a full-category energy-saving and environmental protection procurement system, balancing compliance and sustainability.

Administrative Supplies

Priority is given to office consumables certified with the China Environmental Label, with strict control over product environmental and quality standards. Copier paper products under cooperation have all passed CEC environmental certification; hand towels and toilet paper have undergone testing by authoritative institutions, meeting requirements for microbial indicators and environmental performance, ensuring a green and low-carbon office environment.

Warehousing & Logistics Supplies

Focus on green packaging by selecting biodegradable packaging bags that comply with the *Technical Requirements for the Evaluation of Green Products in Express Packages* and related certification regulations, reducing packaging waste pollution at the source.

Retail Supplies

Strictly control the environmental and safety standards of food-contact products. Selected materials have been tested by the National Center for Quality Supervision and Inspection of Polymer Materials, with all test items meeting requirements. The materials are odorless, free from detectable heavy metals, and comply with standards for migration levels and other indicators, fulfilling the requirements for food storage in commercial supermarkets and ensuring dual protection of environmental friendliness and safety.



04

Advancement

Caring for Employees, Nurturing Growth

Building a Culture of Warmth and Support



Practices Concerning the SDGs



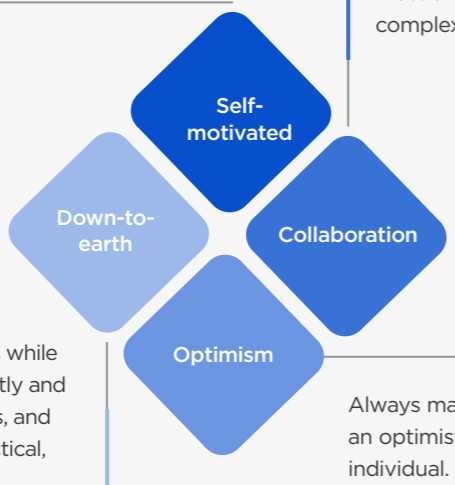
Talent Strategy

We strictly comply with national laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, and the *Law of the People's Republic of China on the Protection of Rights and Interests of Women*. We have formulated and implemented internal management policies such as the Recruitment Manager Handbook, the Annual Performance Evaluation and Application Plan, and the Intellectual Property Incentive Measures, effectively safeguarding employees' legitimate rights and interests, providing a solid institutional foundation for building fair, compliant, and harmonious labor relations.

Equal and Compliant Employment

Our talent recruitment philosophy emphasizes four core traits: "Self-driven, Collaborative, Optimistic, Down-to-earth," seeking pragmatic professionals who possess both excellent professional capabilities and a positive, committed spirit to drive continuous innovation and efficient execution in a complex business environment.

Goal- and result-oriented, proactively striving for excellence, continuously learning, resilient under pressure, and determined to succeed.



Trust and openness are key; able to navigate complexity, break down silos, and willing to share.

Capable of boldly expressing ideas while staying grounded, working efficiently and pragmatically without blind actions, and implementing innovations in a practical, realistic manner.

Always maintain an idealistic mindset, always be an optimist, and always be a positive and striving individual.



We consistently view talent as the core driver of corporate development, committed to building a fair, inclusive, and compliant employment environment.

Regarding equal and diverse employment, we strictly follow the principle of fair employment, resolutely prohibiting any discrimination based on gender, ethnicity, age, household registration, etc. We adhere to ability, experience, and potential as the sole selection criteria, actively fulfilling social responsibility by providing equal employment opportunities for people with disabilities, stimulating innovation vitality through a diverse team background. Simultaneously, we are committed to providing all employees with a free and fair career development environment.

We continuously focus on labor rights and human rights protection, strictly prohibiting child labor and forced labor. We strictly comply with the *Provisions on the Prohibition of Using Child Labor* and relevant national laws, explicitly prohibiting the recruitment of anyone under the legal working age. We have established a strict identity verification mechanism, requiring all candidates to provide valid identity documents during recruitment and onboarding, verifying their age information to ensure full compliance with the minimum working age requirements of the respective country or region. Simultaneously, we firmly oppose and prohibit any form of forced labor, strictly prohibiting the use of violence, threats, illegal restriction of personal freedom, or other improper means to force employees to work, committed to protecting the legitimate rights and personal dignity of every employee. Once any violation is discovered, the Company will immediately terminate the employment relationship and initiate an internal investigation.

We place high importance on employment compliance, consistently adhering to the principle of integrity, viewing the labor contract as an important agreement between the enterprise and the employee. During the contracting process, we ensure terms are clear and transparent, truthfully informing about job content, conditions, location, compensation, and the rights and obligations of both parties, strictly complying with national laws and regulations, eliminating hidden clauses and unfair traps. We focus on full communication and explanation with job seekers, ensuring they confirm contract content with full understanding, effectively safeguarding employees' legitimate rights and occupational safety. Simultaneously, we establish a scientific and standardized working hour management system, strictly implementing the 8-hour workday, clarifying overtime management policies, and implementing overtime pay and compensatory leave mechanisms according to law, ensuring employees' legitimate rights and interests are fully protected.

Simultaneously, we have formulated a comprehensive dismissal system, establishing a compliant process from dismissal proposal to dispute resolution strictly in accordance with the *Labor Contract Law of the People's Republic of China*, ensuring a transparent and fair dismissal process, safeguarding the legal notice period, and providing compensation according to law based on employee tenure or special circumstances.

Talent Attraction

We place high importance on talent development and acquisition, closely aligning with the Company's core strategic direction, scientifically formulating and dynamically adjusting recruitment plans. We are committed to building a diversified talent acquisition system, including setting high internal referral bonuses to encourage employee recommendations, establishing learning bases with top universities for campus cooperation, and utilizing professional recruitment platforms and headhunting channels to precisely attract high-end and experienced talent, comprehensively ensuring the quality and efficiency of talent supply.

Aligned with the Company's business development needs, we focus on attracting R&D talent, AI talent, and mid-to-high-end talent: introducing R&D talent enhances technical strength, driving product innovation and technology upgrades; actively expanding into cutting-edge AI fields by recruiting AI specialists to develop innovative products and services, thereby enhancing market competitiveness; simultaneously, introducing mid-to-high-end talent with rich industry experience optimizes team structure, achieving efficient resource allocation and synergy, injecting strong momentum into the Company's continuous development.



Compensation and Incentives

Regarding the employee compensation system, we strictly adhere to the principle of "equal pay for equal work." Based on industry market compensation levels and job value assessments, we reasonably design and continuously optimize the compensation structure, build a scientific, transparent, and motivational compensation management system. Simultaneously, we adhere to the principle of gender equality, ensuring no gender-based disparities in compensation.

We are committed to incorporating ESG factors into the compensation assessment system. Executive compensation assessments include reference to cloud cost and server cost reduction/efficiency improvement factors, and attention to cost reduction inputs for energy efficiency products, among other ESG indicators.

DMALL has implemented an Employee Stock Ownership Plan (ESOP) since its inception. The plan covers key employees from multiple departments. As the Company has grown, the number of participating employees has increased year by year, continuously attracting outstanding talent from various business areas, expanding the incentive scope. Regarding timing, we consistently adhere to the principles of fairness, impartiality, and openness, conducting strict annual performance evaluations. Based on evaluation results, we grant incentives, ensuring incentive resources are allocated to employees with outstanding performance and significant contributions, ensuring incentive policies are closely linked with the Company's strategic goals and talent value creation, effectively increasing employee work motivation. During the reporting period, the employee stock ownership plan covered 50.10% of the workforce.

Meanwhile, we always regard technological innovation as the core driving force for the Company's development, committed to stimulating the innovative potential of R&D personnel and promoting sustainable business development by transforming innovative outcomes. We have formulated and implemented the *Intellectual Property Incentive Method*, providing incentives for successfully declared invention patents, software copyrights, etc., encouraging R&D personnel to integrate innovative thinking into daily work. During the reporting period, we distributed a total of RMB 240,000 in rewards to employees for successfully declared patents, covering 92 person-times, further enhancing employees' enthusiasm for technological innovation.

Performance Management System

In terms of objective management, we continuously optimize the OKR (Objectives and Key Results) management system and deepen its application in strategy execution and performance alignment. Through a company-wide shared OKR platform, we achieve comprehensive alignment and transparency from top-level strategy to daily employee tasks, enabling all staff to view and collaborate on objectives at all levels in real time. This ensures that all work consistently supports the company's core direction. The system not only provides employees with clear goal-driven guidance but also enhances consistency and challenge in cross-level and cross-departmental collaboration, offering systematic support for the company's sustained development.

In performance appraisal, we adhere to the overall direction of "continuously integrating resources, strengthening operational efficiency awareness," focusing on effective value creation and implementing an objective and fair evaluation system. Upholding the principle of "valuing performance, values, and capabilities equally," we integrate performance management with employee capability development through tiered and categorized assessment mechanisms, guiding employees to proactively enhance key capabilities that create long-term value for the enterprise, achieving mutual growth for individuals and the organization. Simultaneously, we formulate annual performance appraisal tasks for managers, signing corresponding performance responsibility letters.

To ensure the fairness and accuracy of performance evaluations, we have established a standardized performance appeal mechanism. Employees who disagree with their appraisal results can appeal to their business department or corresponding HRBP. Upon receiving an appeal, the HRBP conducts a preliminary review to decide whether to accept it. If accepted, the HRBP prepares relevant materials, organizes an appeal meeting, collects evidence, and listens to statements from both sides. An evaluation panel makes a decision based on the investigation results and evidence provided by both parties, and the HRBP communicates the result back to the employee. This process aims to provide employees with a fair and transparent appeal channel, continuously improving the performance management closed loop.

Performance Appeal Mechanism



Talent Growth and Development

We view employee growth as the core driver of corporate development, consistently committed to building a healthy ecosystem of mutual growth and value co-creation between employees and the Company.



Employee Development Program

Regarding employee career development, we have formulated a comprehensive employee development plan. We place high importance on the role of managers in team growth. Through mechanisms like OKR management and semi-annual/annual performance evaluations, we promote regular, structured communication between managers and employees regarding capability strengths, weaknesses, and development directions. Simultaneously, aligned with the Company's business needs, we advocate a development philosophy of "one expertise, multiple skills," especially within the Product R&D and Delivery teams, encouraging employees to proactively solve problems based on customer needs and continuously improve comprehensive business capabilities.

To support employee development, we have defined clear pathways and dimensions for capability enhancement centered on project delivery and business contribution, including systematic requirements in project management, financial and operational perspectives, time and cost control, among others. During promotion evaluations, we emphasize employees' performance narratives and capability validation in actual projects, conducting comprehensive assessments based on deliverables and financial outcomes from specific projects. Furthermore, during the annual performance review phase, departments systematically reflect on employees' capability performance over the cycle, providing timely feedback, recognition, and identification of improvement areas, thus establishing a continuous and iterative growth loop.

Employee Promotion Pathway

Regarding employee career development, we have established and continuously improve a performance-based promotion mechanism, providing employees with two promotion opportunities annually aligned with the performance evaluation cycle. The process unfolds through three stages: promotion nomination, promotion evaluation, and result implementation. Departments submit nominations according to requirements, and nominated employees undergo different assessment formats based on their job level and type of promotion. In accordance with the three principles of "comprehensive evaluation, a combination of step-by-step and leapfrog promotions, and the possibility of both advancement and demotion," the Promotion Review Committee evaluates candidates, and the final promotion outcomes are announced and take effect upon approval by the Board of Directors, ensuring the transparency, fairness, and standardization of the promotion process.

Employee Training System

To continuously enhance employees' professional skills and overall competencies, the Company has established a systematic training management system:

Requirements Research and Analysis

Conduct a training needs survey at the end of each year to collect training requirements from various departments and employees.

Planning

Based on the research findings, develop an annual training plan and submit it for approval by the management.

Course Development

Internal trainers develop courses according to the training plan, and the Human Resources Department provides necessary support and resources.

Training Implementation

Implement training in accordance with the training plan, and maintain training records and attendance management.

Effectiveness Evaluation

After the training, evaluate the training effectiveness through methods such as questionnaires and examinations.

Continuous Improvement

Continuously optimize training content and formats based on evaluation results to enhance training effectiveness.

We have established a diversified learning system that integrates online and offline approaches and complements internal and external training. Online, we leverage the "Xueme" platform and the Feishu knowledge base to efficiently consolidate and flexibly distribute course content. Offline, we deliver interactive and scenario-based learning experiences through instructor-led sessions, simulation exercises, workshops, and co-creation meetings. Our training programs comprehensively cover multiple aspects, including new employee onboarding, professional skill development, and leadership enhancement. Additionally, we customize and develop specialized training programs and courses according to the specific needs of business units and HRBPs, ensuring close alignment between talent development and business growth.

To meet the development needs of employees at different positions and levels, we have established a differentiated and systematic training system, designing and implementing customized development programs for new hires, managers, technical experts, all employees, and specific business groups. At the organizational level, we focus on promoting corporate strategy, cutting-edge technological advancements, industry trends, and current social topics. Through timely and efficient widespread learning initiatives, we continuously enhance the organization's collective awareness and adaptability. This includes specialized training and outreach on advanced AI tools and large model technologies such as ChatGPT and DeepSeek, helping employees seize opportunities presented by technological transformation and empowering business innovation and practice.

Project Name	Training Audience	Training Content
Landing on DMALL Planet	New Hires (experienced)	Introduce company development, company policies, and corporate culture through online video courses, in-person training sessions, interactions with experienced employees, group activities, and regular follow-ups, helping new employees shorten their workplace adaptation period.
DMALL Talks	All employees	Invite senior employees to share project experiences, industry client cases, and specialized technical knowledge to broaden employees' perspectives and enhance the overall learning culture.
DMALL Says	All employees	By facilitating face-to-face sharing sessions between executives and employees on business strategies and business achievements, enhance employees' understanding of the Company's strategic direction and strengthen their recognition of and sense of belonging to the Company.
Manager's Assistant	Middle & Front-line Managers	Deliver management concepts, methodologies, and key management information through an online fragmented learning content distribution tool. Promote the implementation of management philosophies and enhance frontline managers' managerial perspectives and techniques.

■ Training Program



Safeguarding Employees' Rights and Interests

We always prioritize the protection of employee rights and interests, establishing mechanisms for preventing and appealing against rights violations such as workplace discrimination and sexual harassment, while clearly defining fair processes for handling disputes regarding performance, promotion, and compensation. We formulate and implement internal systems like the *Policy on Preventing and Countering Workplace Sexual Harassment*, explicitly prohibiting any form of sexual harassment. Simultaneously, we systematically gather employee feedback through diversified democratic communication channels, driving continuous management optimization and fostering an open, transparent, and mutually trusting workplace environment.

Conduct Democratic Communication

We have established and continuously improve diverse democratic communication mechanisms, effectively supporting bidirectional information exchange and consensus-building between the organization and employees.

We have established an Employee Service Desk, providing employees with a centralized window for inquiries, feedback, and requests for assistance. Employees can efficiently report issues encountered at work or suggest improvements through this channel. While responding promptly, the Service Desk also shares common issues and valuable suggestions with relevant departments, helping the Company continuously optimize operational processes, improve management efficiency, and enhance employee experience. This mechanism not only ensures expression of employee demands but also promotes iterative improvement in organizational management.

Case: All Hands Meeting - Department-level Communication Assembly

We hold All Hands Meetings as departmental communication forums, aiming to break down internal information barriers, efficiently convey corporate strategies, business objectives, and key project progress, and ensure transparent and accurate information flow within departments. Adhering to the principle of open dialogue, the meetings encourage active participation and candid communication, ensuring every member's voice is heard, thereby continuously strengthening the foundation of team trust. Additionally, it serves as a gathering to collectively celebrate growth and reinforce team cohesion—where we share achievements, discuss challenges, and solidify consensus through close collaboration, consolidating the collective strength to move forward together.



Employee Appeal Mechanism

We have established accessible formal appeal channels and standardized the employee appeal handling process.

Appeal Principles

- Seek truth from facts: Complaints/appeals must be genuine; malicious complaints are prohibited.
- Stay calm: Do not spread unverified or false information.

Scope of Appeal

- Employees can formally appeal against rights violations such as workplace discrimination, sexual harassment, as well as objections to performance appraisal results, promotion outcomes, or compensation decisions.

Appeal Channels and Procedures

- If encountering issues, employees can report the situation by email or writing to their direct supervisor. If they do not receive feedback, are unsatisfied with the supervisor's response, or cannot communicate with the supervisor, they can provide feedback through their departmental HRBP or the HR Service Desk.
- The HR department will make a final response and notify the employees within 14 days. If the investigation requires more time, HR will inform the employee accordingly.

Whistleblower Protection

- Strict confidentiality shall be maintained regarding the complainant and the complaint information.
- Take necessary measures to ensure the safety and legitimate rights and interests of the complainant.

Employee Satisfaction Survey

We have established a systematic employee satisfaction survey mechanism, conducting annual surveys to continuously monitor organizational health and employee growth experiences. The survey covers multiple dimensions, including work environment, career development, management effectiveness, team collaboration, and cultural alignment, collecting authentic employee feedback through scientific methods to create an accurate picture of the current organizational state. Based on in-depth data insights, the Company thoroughly analyzes the root causes of key issues and develops actionable, targeted improvement plans to drive continuous optimization of management and services. By consistently enhancing employee experience and strengthening their sense of belonging and engagement, we are committed to building a sustainable talent development ecosystem, growing together with our employees and co-creating value.

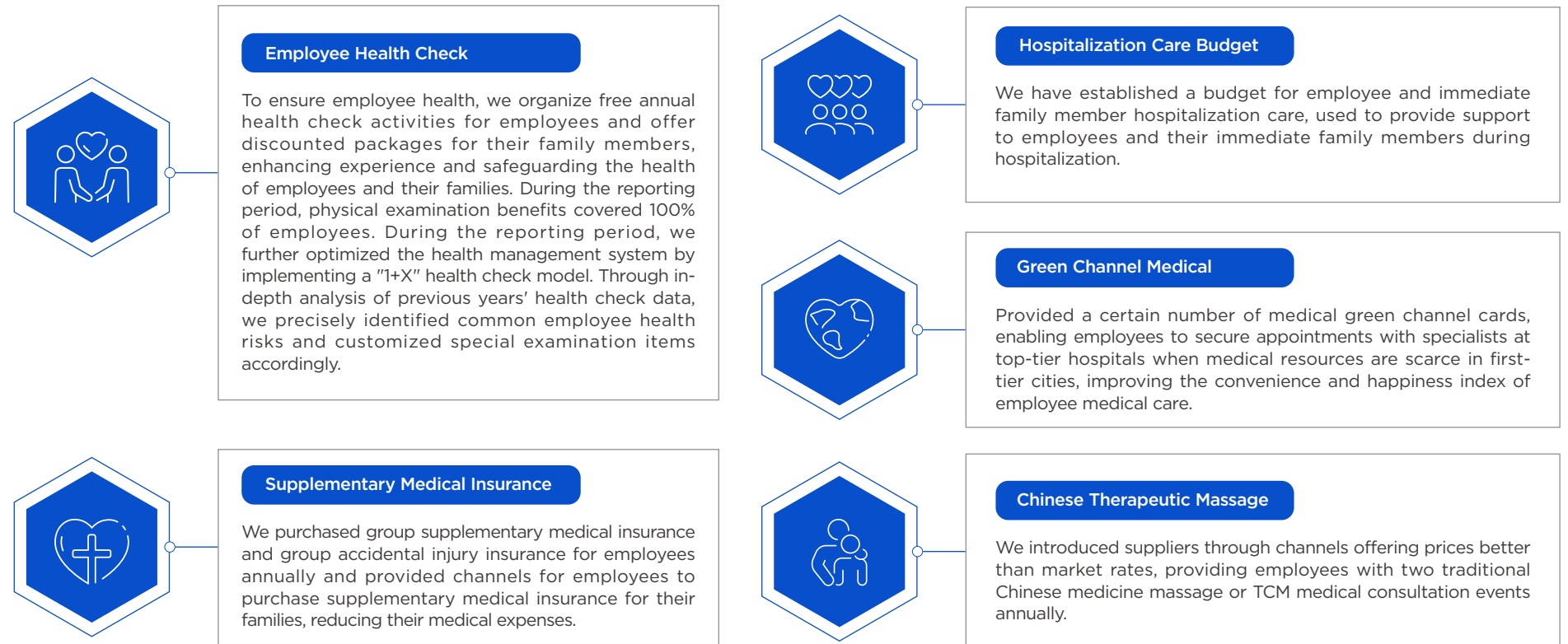


Employee Care and Well-being

We consistently adhere to a people-centered approach, establishing a comprehensive and supportive employee care system, treating employees' physical and mental well-being as a crucial foundation for the Company's sustainable development.

Occupational Health and Safety

We place high importance on employee occupational health and safety, strictly complying with national regulations. In addition to fully contributing to the "five social insurances and one housing fund" for all employees, we further provide diversified benefits such as supplementary medical insurance, comprehensively safeguarding employees' physical and mental health and overall rights. Currently, we have obtained ISO 45001 Occupational Health and Safety Management System certification. Over the past three years, we have maintained a good safety record with zero work-related fatalities.



Meanwhile, we have established a comprehensive, prevention-oriented health protection and management system, integrating health management into every aspect of daily operations, continuously enhancing employees' well-being, sense of belonging, and safety, thus strengthening the human foundation for the enterprise's long-term and stable development.

First Aid Guarantee

Provided universal first aid training for all employees, obtained certification from the Red Cross, and ensured that each floor of every workplace has 1 to 3 certified first aid responders to enable rapid response in emergencies.



Daily Protection

Provided epidemic prevention supplies such as masks and alcohol to employees both domestically and overseas, and established a standardized medicine kit management system to reduce health risks.



Overseas Care

Provided domestic and international employees with health care packages containing daily protective supplies, and implemented standardized and regular management of office first aid kits to continuously safeguard employee health.

Leave Benefits

We have established a comprehensive leave system, ensuring employees enjoy various leave benefits including annual leave, service anniversary leave, sick leave, parent-teacher meeting leave, family visit leave, marriage leave, maternity leave, paternity leave, nursing leave, and parental leave.

Annual Leave	For employees with 5 to 20 years of service, in addition to the statutory 5/10 days of annual leave, we provide an additional 2 days of welfare annual leave.
Service Anniversary Leave	Employees can enjoy 1 day of paid service anniversary leave after completing one year of service.
Sick Leave	One day of paid sick leave per month is available without requiring documentation. Beyond one day, subsequent leave can be applied for with a medical certificate from a Class II-A hospital or above.
Parent-teacher Conference Leave	Employees can apply for 4 hours of paid leave upon presenting a parent-teacher meeting notice from their child's school.
Family Visit Leave	Foreign employees, after passing the probation period, can enjoy a certain number of days of paid family visit leave, 5 days per year.
Marriage/Maternity/Paternity/Nursing/Parental Leave	Strictly implemented according to the relevant local policies of the employee's work location.

Diverse Employee Activities

We are committed to building a diverse, warm, and culturally rich work environment. By organizing various festive activities at key points throughout the reporting period, we integrate humanistic care into daily life. On International Women's Day (March 8th), we celebrate women's strength and actively advocate for gender equality and an inclusive culture. During traditional festivals like Dragon Boat Festival and Mid-Autumn Festival, we organize culturally rich themed activities to promote excellent traditional Chinese culture and enhance employees' cultural identity and sense of belonging. During holidays like Christmas and New Year, we organize warm gatherings and interactions, creating a relaxed and pleasant atmosphere and promoting emotional connections among team members.



Employee Event Activity

05

Low-carbon Operation

Low-Carbon Development, Steady and Far-Reaching

Building a Green Operational Ecosystem



Practices Concerning the SDGs



Environmental Protection Management

We strictly comply with environmental laws and regulations in our operating locations, including the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China*, and the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and integrate environmental responsibility across all aspects of our operations. We reduce the impact of our operations on natural resources and ecosystems through systematic environmental risk identification and assessment mechanism. Simultaneously, we strengthen employees' awareness of green and low-carbon practices through regular company-wide environmental training and awareness activities, driving continuous improvement in our environmental performance.

To ensure efficient implementation of environmental strategies, we have built a multi-tiered environmental management structure with clear responsibilities and authorities.

Currently, we have successfully obtained ISO 14001 Environmental Management System certification, covering all environmental management activities related to our computer application software development and associated operations.



The Board of Directors, as the decision-making level, oversees our overall environmental strategy, approves key policies and progress, and ensures that environmental risks are integrated into business decisions.



An ESG Committee operates under management to develop specific policies, oversee goal implementation, and report regularly to the Board of Directors.

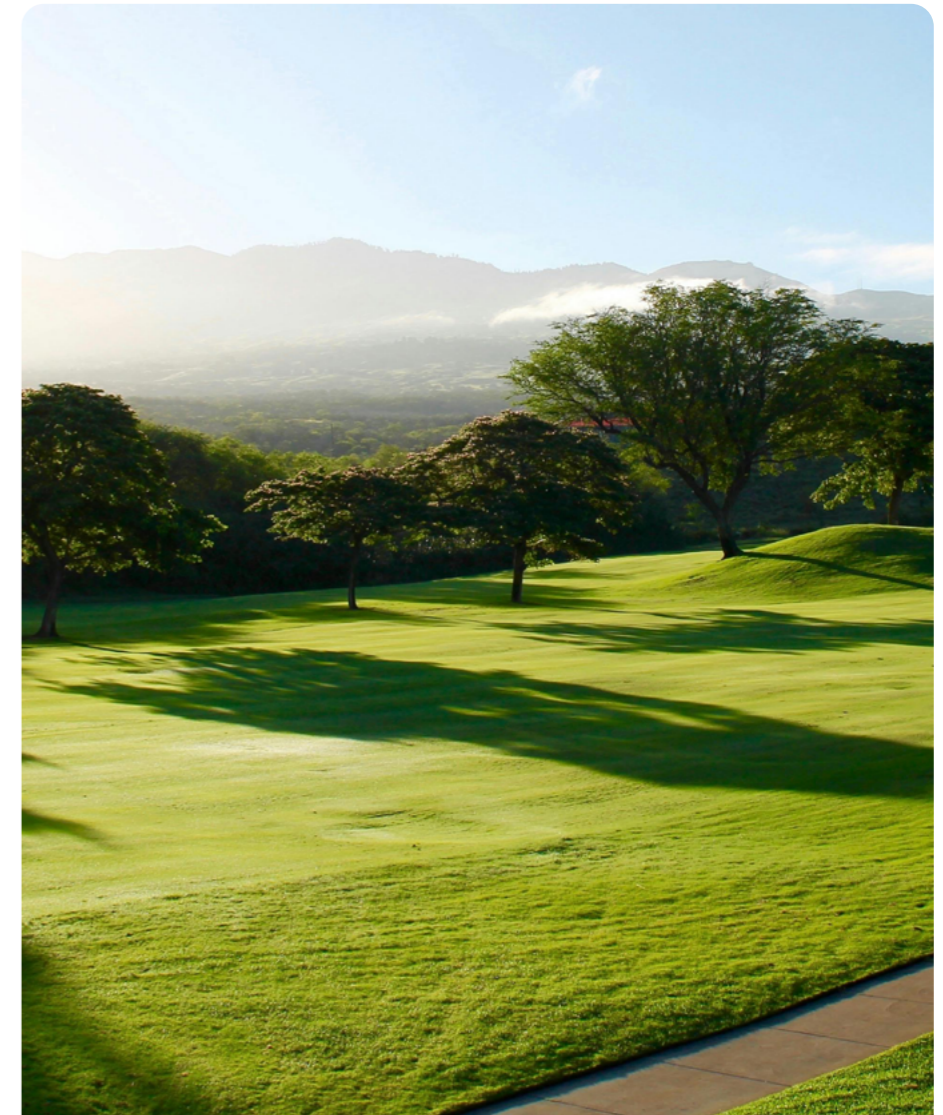


Additionally, we have specially appointed "Environmental Ambassadors" who are responsible for frontline supervision, data recording, and awareness building activities.



During the Reporting Period

We had **no** environmental litigation cases and received no economic penalties or fines for violating environmental laws or regulations.

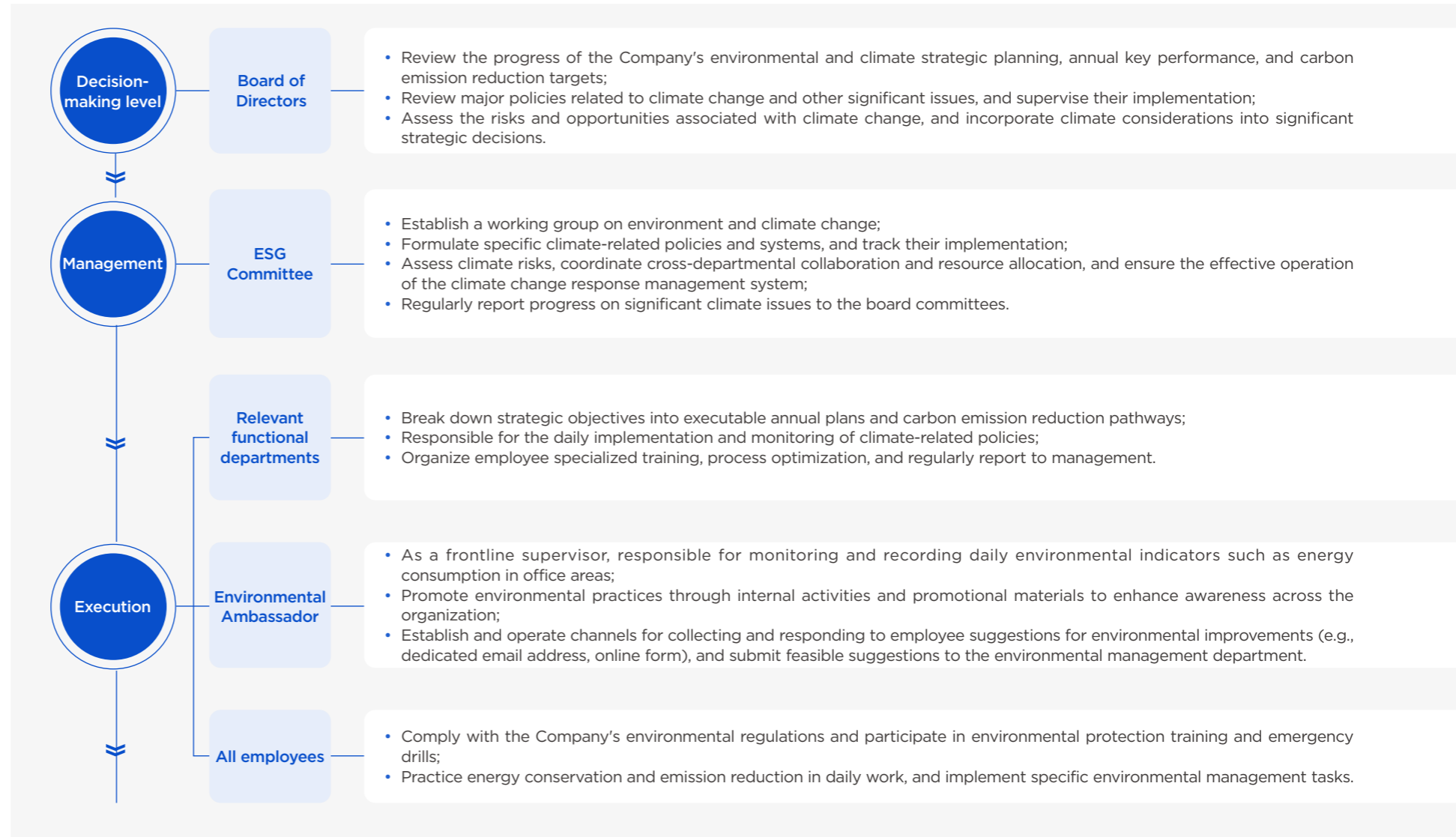


Addressing Climate Change

Governance

We have established a top-down climate governance structure with the Board holding ultimate responsibility, management level coordinating and monitoring, and execution level implementing. The Board of Directors is the highest decision-making body for climate change matters, leads our climate strategy and integrates climate considerations into long-term strategic planning, enterprise risk management, and financial decision-making. The Board regularly receives reports on climate risk assessments and progress towards carbon reduction targets to ensure effective oversight of climate-related matters. The management level has established the ESG Committee, responsible for coordinating the management of climate-related risks and opportunities. The ESG Committee holds regular special meetings to review annual decarbonization plans, assess the impact of physical and transition risks on the business and track progress toward climate targets. At the execution level, we have established a cross-departmental collaboration mechanism. The relevant functional departments are responsible for the daily execution and monitoring of specific policies, ensuring the deep integration of climate strategy with operations. Additionally, we have appointed "Environmental Ambassadors" and established a company-wide engagement mechanism that promotes climate awareness through training and internal communications, while enabling bottom-up feedback and forming a closed-loop management approach.

To ensure that the governance and management levels possess the necessary professional knowledge to perform their duties, we have established a mechanism for continuously improving climate capabilities. To systematically respond to new trends in climate regulation, we organize targeted training for Board members to enhance understanding, build consensus, and plan strategic responses. Board members and management continuously monitor global and regional climate change trends, deepening their understanding of climate-related financial impacts. We regularly assess the climate governance skills at the governance level and introduce external experts for technical support as needed to support science-based decision-making.



Strategy

We actively respond to the national "Carbon Peak, Carbon Neutrality" strategy, closely track evolving climate policies and regulations in China and globally, benchmark against the temperature control goals of the Paris Agreement, and systematically implement the concept of green and low-carbon development. Upholding the corporate purpose of "Empowering retail with digital intelligence, practicing green development mission," we position climate action as a core pillar of our mid- to long-term strategy, integrating climate considerations into our development strategy, technological innovation, and business expansion.

Own Business Model and Value Chain Decarbonization

The company is committed to achieving net-zero emissions by progressively reducing greenhouse gas emissions across its operations and value chain. It embeds low-carbon principles into daily operations and supply chain management through improved energy efficiency, optimized resource allocation, and green office initiatives, thereby lowering operational emissions consistently. In supply chain management, environmental and energy performance are integrated into procurement and partnership evaluations, with a green management system covering the entire process to enhance overall sustainability.



Empowering Low-carbon Transformation through Digital Products and Services

We deeply integrate sustainability concepts into our product architecture and service systems, building a digital solution system based on data, powered by AI, and centered on omni-channel collaboration. This helps retail enterprises achieve synergistic development of efficiency improvement and low-carbon transformation, contributing to a more efficient, resilient, and sustainable retail ecosystem, achieving long-term win-win outcomes between environmental value and business value.



Scenario Analysis

To systematically identify and assess the potential impacts of climate change on the Company's business activities, strategic objectives, and long-term value creation capabilities under different development pathways, we conduct climate scenario analysis in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) during the reporting period. Based on our business characteristics and development stage, we leverage widely recognized international climate and energy transition scenarios, comprehensively considering the evolution of physical risks, transition risks, and opportunities across different time horizons. We focus on assessing the potential impacts of climate change on the Company's own business model and value chain, providing a foundation for enhancing climate risk management, informing strategic decision-making, and strengthening climate resilience.

Scenario Analysis Parameters and Key Assumptions

Physical risk scenarios: Select based on the Shared Socioeconomic Pathways (SSP) released by the Intergovernmental Panel on Climate Change (IPCC):

Physical scenario	Definition
SSP1-2.6	Low emissions scenario, radiative forcing stabilizes at 2.6 W/m ² by 2100, limiting global warming to within 2°C by the end of the 21st century.
SSP5-8.5	High emissions scenario, radiative forcing reaches 8.5 W/m ² by 2100, potentially leading to global temperature rise exceeding 4°C.

Transition risk scenario: Referencing the energy transition scenario released by the International Energy Agency (IEA), select:

Transformation scenario	Definition
IEA Stated Policies Scenario (STEPS)	Considers the application of a broader range of policies, including those formally submitted but not yet adopted, and other official strategic documents indicating development directions. Global warming is expected to exceed 2°C around 2060, reaching approximately 2.5°C by 2100.
IEA Net Zero Emissions Scenario (NZE) for 2050	Achieves CO ₂ net-zero emissions by 2050 and aligns with the long-term goal of limiting global average temperature rise to 1.5°C (50% probability). Global warming peaks around 2050 at approximately 1.65°C, falling back below 1.5°C by 2100.

Time Range Setting

In alignment with the Company's strategic planning cycle as well as national and international climate goals, we define three time horizons for scenario analysis: short, medium, and long term:



Analysis Scope and Boundaries

Our scenario analysis covers our operations and relevant components of our value chain, including:



Physical Risk Analysis and Response

Physical risks arising from climate change primarily include two types: acute risks and chronic risks. Acute risks typically stem from increased frequency and intensity of extreme weather events, such as floods and hurricanes, causing sudden disruptions to corporate asset safety and business continuity. Chronic risks manifest as gradual shifts in long-term climate patterns, including sustained increases in average temperatures and rising sea levels, leading to cumulative impacts on energy consumption patterns, infrastructure adaptability, and long-term operational costs. These risks may directly impact our owned and managed operations and indirectly affect our financial performance through customer operations, supply chain stability, and urban infrastructure resilience.

Under the SSP1-2.6 low-emission scenario, global climate governance progresses steadily, and temperature increases remain relatively contained; however, the frequency of extreme weather events still rises compared with historical levels. In this scenario, localized heavy rainfall and regional flooding events increase in frequency. According to WRI projections¹, by 2050, China's economic losses from floods will increase by approximately 339% compared to 2010. Flooding may cause temporary disruptions to retail store operations, warehousing facilities, and last-mile delivery systems in certain cities, affecting fulfillment efficiency and operational stability. Meanwhile, according to IPCC projections, cooling degree days in eastern China are expected to increase from approximately 140 in 2025 to around 170 by 2030 and further to about 215 by 2050. As the frequency of high-temperature weather increases, the cooling demand for data centers and office premises will lead to higher energy costs. We mitigate the financial pressure from rising marginal operating costs by improving energy efficiency and implementing targeted energy management measures.

Under the SSP5-8.5 high-emission scenario, global warming trends are significantly intensified, with a marked increase in the frequency and intensity of acute climate events such as extreme heatwaves, heavy rainfall, and flooding. According to IPCC projections², cooling degree days in East Asia could reach approximately 175 by 2030 and surge to around 360 by 2050. Extreme heat conditions place greater strain on data centers and office operations, significantly increasing cooling loads and challenging operational stability. In addition, according to WRI projections, by 2050 China's economic losses from flood disasters will increase by approximately 510% compared to 2010. Heavy rainfall and flooding may disrupt urban power supply and transportation networks, affecting service continuity and customer fulfillment efficiency. Additionally, our retail customers' own store operations, warehousing facilities, and supply chain stability are more vulnerable to extreme weather, potentially transmitting operational fluctuations through customer businesses to impact the Company's business scale and revenue stability.



1 WRI Aqueduct Floods

2 IPCC WGI Interactive Atlas: Regional information (Advanced)

We have integrated climate physical risks into our overall risk management system. We continuously optimize server configuration, strengthen energy efficiency management and increase the proportion of green electricity usage, improve disaster recovery systems and business continuity management mechanisms to enhance adaptability and operational robustness under different climate scenarios.



Risk Type	Risk Description	Duration of Impact	Impact Scope	Potential Impact on Business and Finance	Countermeasures
Extreme Heat / Rising Average Temp	Increased frequency and duration of extreme heat events, leading to higher cooling demand for offices and third-party data centers, increasing electricity load.	Short, medium and long term	Operations and value chain	Energy costs for office and information infrastructure will increase; the increased heat dissipation pressure on IT systems will affect system stability and service continuity; in the long term, it may increase equipment maintenance and impact capital expenditures.	Adaptively upgrade office infrastructure, such as implementing energy-saving variable frequency air conditioning systems and selecting green data centers with high PUE standards.
Hurricanes / Typhoons	Extreme weather events such as typhoons may have temporary impacts on office operations, communication networks, and infrastructure stability in certain areas.	Short, medium and long term	Value chain	Office and operation activities will be temporarily restricted; system delivery and customer support may experience periodic pressure; the customer logistics system may be disrupted, placing higher demands on the scheduling capabilities of the TMS system; it may lead to asset losses and increased operational maintenance costs.	Strengthen business continuity management and emergency response planning; leverage AI technology to assist customers with pre-positioning inventory and route optimization prior to extreme weather events; regularly communicate extreme weather safety guidelines to employees and, when necessary, implement flexible or remote work arrangements.
Flood	The risk of heavy rainfall and flooding is increasing, which may impact urban infrastructure and the regional operational environment.	Short, medium and long term	Value chain	The risk of regional operational disruptions will increase, and maintenance costs will rise; customer business activities and supply chain stability will be affected.	Enhance system disaster recovery and cross-regional service capabilities; assist customers in improving supply chain collaboration and emergency response capabilities; improve drainage systems and waterproof barriers to reduce the impact of waterlogging on office operations.
Water Scarcity	Water availability has declined in certain regions due to changes in precipitation patterns, increased frequency of droughts, and rising water demand.	Short, medium and long term	Operations and value chain	Local water resource shortages affect the stability of offices and data centers, and operating costs will rise.	Promote water-saving office practices and refined resource management to enhance employees' awareness of water conservation; leverage digital products to help retail enterprises optimize inventory and supply chain efficiency, mitigating operational disruptions caused by supply fluctuations.
Sea Level Rise	Long-term climate change may have systemic impacts on economic activities by affecting infrastructure and urban operating environments in coastal and low-lying areas.	Long term	Value chain	Changes in the client's operating environment will bring adjustments in demand structure and uncertainty, indirectly affecting the Company's business layout and market expansion.	Enhance customer operational resilience through digital and intelligent solutions; maintain flexibility in business development plan and regional diversification.

Analysis and Response to Transition Risks

Climate change transition risks primarily arise from changes in factors such as policies, laws, technology, markets, and reputation during the global transition toward a low-carbon economy. Under the STEPS scenario, the global low-carbon transition progresses steadily based on currently announced policies and commitments. In this scenario, as a digital and technology service provider, we do not belong to a high-emission industry nor directly participate in carbon emissions trading markets; therefore, fluctuations in carbon prices have no material direct impact on the financial performance and we do not apply a carbon price in decision-making. Our transition risks primarily relate to increasing compliance and disclosure requirements, including stricter climate-related disclosure standards and ESG regulations. We will continue to strengthen our data governance capabilities and information disclosure systems to address rising compliance costs and regulatory scrutiny.

Under the NZE scenario, the global transition toward deep decarbonization accelerates significantly, with tighter policy constraints, rapid technological advancement, and heightened market expectations. Low-carbon requirements increasingly affect our business through value chain transmission mechanisms. On one hand, energy efficiency standards for data centers and requirements for renewable energy usage ratios may become increasingly stringent. The proportion of green power procurement, PUE control levels, and carbon intensity management will become key focuses for both regulators and the market, necessitating sustained corporate investment in energy-saving technologies, green computing, and energy structure optimization. On the other hand, retail industry clients, driven by net-zero objectives, will place greater emphasis on managing their supply chain carbon footprints and ESG performance, particularly large multinational clients who typically require partners to meet their sustainable procurement standards and climate commitments. In this context, the ability to deliver digitalized, low-carbon, and sustainable solutions will gradually become a critical foundation for industry competitiveness. Meanwhile, capital markets will apply stricter evaluation criteria to corporate climate strategies and transition pathways, requiring companies to clearly demonstrate strategic plans aligned with net-zero trajectories to avoid risks associated with declining investor confidence.

Risk Type	Risk Description	Duration of impact	Impact Scope	Potential impact on business and financial aspects	Countermeasures
Policies and Laws	Regulatory bodies both domestically and internationally are continuously strengthening requirements for climate-related disclosures, carbon management, and sustainability reporting, leading to higher expectations for transparency and data quality in information disclosure.	Medium and long term	Operations	Stricter policies and regulatory requirements will lead to higher compliance costs; if disclosure is not transparent, it may face regulatory inquiries, affecting capital market performance.	Continuously monitor domestic and international climate policies and regulatory trends; enhance climate governance structure; improve disclosure transparency and align with international frameworks.
Technology	The retail industry's transition towards green logistics and carbon-neutral stores is placing higher energy efficiency demands on digital systems; algorithmic efficiency and computing power efficiency have become key competitive factors.	Medium and long term	Operations and value chain	R&D investment will increase; if technological updates lag behind, it may weaken product competitiveness and affect market share.	Continuously optimize AI algorithm efficiency and system architecture; enhance energy efficiency per unit of computing power; develop functional modules that support customers' green operations; increase investment in green technology research and development.
Market	Retail industry customers are placing greater emphasis on the carbon footprint and ESG performance of their own supply chains; large multinational customers typically require supply chain partners to comply with their sustainability standards.	Medium and long term	Operations and value chain	If the Company fails to meet the standards, it may be excluded from cooperation opportunities; financing costs may rise and investment attractiveness may decline, affecting long-term profitability.	Proactively reduce our own emissions; strengthen capabilities in green solutions; assist customers in improving energy efficiency and emission reduction performance; enhance ESG disclosure and communication with investors.
Reputation	Public stakeholders, investors, media, and rating agencies are increasingly focused on corporate transparency in climate actions and emission reduction performance, with ESG ratings and climate performance becoming key factors in brand evaluation.	Short, medium and long term	Operations and value chain	If the Company underperforms in climate action or disclosure, it may affect customers', investors', and the public's confidence in the Company's governance capabilities and long-term strategy, weakening its market competitiveness and brand reputation.	Enhance disclosure in accordance with the latest climate-related disclosure guidelines; improve transparency in climate governance; strengthen communication with investors and clients; and continue advancing emission reduction initiatives while disclosing progress.

Analysis of Transformation Opportunities and Response Strategies

Amid the deepening global response to climate change, we recognize that climate transition is creating opportunities for operational model upgrades and efficiency restructuring in the retail industry. We adhere to the concept of "efficiency-driven low-carbon transition," embedding environmental benefits into operational optimization logic, supporting customers in adapting to low-carbon regulatory environments while driving long-term value creation.

Under the STEPS and NZE scenarios, climate transition offers companies opportunities to deeply integrate digital capabilities with the concept of green efficiency. Retail enterprises are expected to face continuously tightening energy efficiency constraints and green operation requirements in the short term. The *World Energy Outlook 2025*³ published by the IEA forecasts that, under the Net Zero Emissions (NZE) by 2050 Scenario, the annual improvement rate of global energy intensity (i.e., the energy demand required to produce a unit of economic output) needs to steadily rise to 4% before 2030. This target implies that the pace of global energy efficiency improvements must double compared to historical levels. Retail enterprises must enhance operational efficiency to address energy cost and compliance pressures. In the medium to long term, the retail industry will accelerate its transition toward green and efficient operating models, with green consumption becoming a mainstream trend. Retailers will need to establish more efficient, transparent, and traceable operations and supply chain management systems. As digitalization and greening converge into a key industry development direction, we will leverage digital and intelligent technologies along with data-driven capabilities, continuously optimizing system architecture and technical efficiency to support customers in building sustainable business models.

Focusing on the development of AI technology, insights from the IEA *Energy and AI 2025*⁴ The research report indicates that the application of AI technology in supply chain management (such as demand forecasting, price optimization, and logistics scheduling), process optimization (achieving lean resource management through data collection), and quality control (material loss management) can effectively improve resource allocation and deliver economic benefits. According to this IEA research, intelligent upgrades based on digitalization and automated process control can enable AI applications to achieve approximately 2% to 6% energy demand savings without requiring large-scale additional capital investment. We actively capture the strategic opportunities presented by the low-carbon transformation of the global retail industry, significantly enhancing energy efficiency and resource utilization across the entire value chain through deep integration of artificial intelligence technologies, thereby transforming technological innovation into tangible support for customers' low-carbon transitions.

³ IEA (2025), *World Energy Outlook 2025*

⁴ IEA (2025), *Energy and AI 2025*

Pursuant to the reliefs on financial effects, capabilities, and reasonable information available, we have not yet produced systematic quantitative disclosures regarding the management of climate-related risks and opportunities, the associated asset amounts and capital deployment, nor have we incorporated climate-related factors into our remuneration policy. At this stage, we lack the necessary infrastructure to conduct comprehensive climate-related financial accounting, and the reliability and decision-usefulness of any quantitative results would be materially constrained. Looking ahead, we will progressively establish an independent tracking and accounting mechanism for climate-related financial impacts, enhance our asset classification and capital expenditure tracking systems, and assess, when appropriate, the feasibility of integrating climate performance indicators into our remuneration policy.

Opportunity Type	Opportunity Description	Duration of impact	Scope of Impact	Potential impact on business and finance	Countermeasures
Resource Efficiency	By optimizing server load and implementing elastic scheduling of cloud resources, unnecessary energy consumption is reduced, ensuring business expansion while lowering energy consumption per unit of computing power, thus achieving efficient resource utilization.	Short, medium and long term	Operations	Will reduce server operating energy consumption and cooling costs, lower operating expenses; increase unit computing power output efficiency, enhance profit margins; reduce financial risks caused by potential energy price fluctuations.	Continuously invest in AI technology research and development to optimize resource utilization efficiency; establish an IT energy efficiency monitoring mechanism.
Products and Services	The global retail industry is accelerating its transition toward green and low-carbon operations. As customer demand for digital tools increases, the application of AI technology in inventory optimization, loss control, and intelligent scheduling can significantly improve the efficiency of resource allocation and support the development of green supply chains.	Medium to long term	Operations and value chain	Will provide space for the Company to expand efficient and low-carbon products and services, enhance the differentiated competitive advantage of products, and drive revenue growth; improve customer operational efficiency and profit margins, and strengthen customer loyalty.	Continuously expand AI-powered prediction and management application scenarios; strengthen ESG collaboration with customers and explore digital solutions to support their energy efficiency and carbon reduction goals.
Market	Consumers, brands, and investment institutions continue to increase their focus on sustainability, and proactive climate actions and disclosure of information have earned companies strong ESG reputations; retailers are placing growing emphasis on building green supply chains and improving ESG performance.	Medium to long term	Operations and value chain	Will enhance the recognition and financing capability in the capital market, obtaining sustainable financial resources; promote the growth of demand for sustainability-related digital services.	Enhance ESG information disclosure and brand building to improve ESG and climate governance-related ratings; develop benchmark client cases to strengthen market demonstration effects.
Resilience	Against the backdrop of intensified extreme weather and supply chain volatility, retail enterprises are placing higher demands on capabilities such as supply chain stability and inventory allocation. By enhancing system reliability and advancing supply chain digitalization, companies can strengthen the overall resilience of both their operations and customer networks.	Short, medium and long term	Operations and value chain	Will reduce the risk of operational disruptions caused by extreme weather; increase customers' reliance on system stability; minimize financial losses from emergencies; and enhance long-term operational stability.	Continuously enhance AI products and services by integrating climate forecasting data; provide optimized solutions for extreme weather events to strengthen supply chain resilience.

Risk Management

We systematically integrate the identification, assessment, and management of climate-related risks and opportunities into our overall risk management framework and daily business management processes, forming a closed-loop management mechanism covering "risk identification, tiered early warning, and response and follow-up."

Risk Identification

We conduct at least one dedicated climate risk identification exercise annually. Referencing the TCFD climate risk classification framework, we identify physical and transition risks covering the full value chain. By benchmarking against industry peers, analyzing policies, and conducting interviews with internal and external experts, we identify risks with financial materiality based on our business characteristics. In the risk identification process, we fully consider the differentiated impacts of various time horizons and climate scenarios on different business segments.

For physical risks

We focus on the potential impacts of acute and chronic climate risks like extreme heat, typhoons, floods, and water scarcity on the locations of our offices, data centers, and key infrastructure;

For transition risks

We focus on identifying risk factors related to climate policy, market changes, technology evolution, and customer low-carbon transition needs. Simultaneously, we identify climate-related opportunities, recognizing the potential of digital and intelligent solutions to enhance operational efficiency, reducing resource waste, and supporting customers' low-carbon transformation.

We regularly submit risk assessment results to management to review and report them to the Board, ensuring timely awareness and supervision of climate risk status by senior management.

Tiered Warning

Based on identified risks, we systematically assess and apply a tiered risk management approach. We have established a climate risk assessment model, conducting both quantitative and qualitative comprehensive evaluations of identified risks from dimensions such as likelihood, potential financial impact, and our response capability. Based on these dimensions, we prioritize identified climate risks, using the assessment results as an important basis for formulating response measures, allocating management resources, and continuously tracking. Risks with higher impact or greater uncertainty are designated as priority risks and subject to enhanced management.

Response and Monitoring

For identified and assessed climate-related risks, we develop corresponding response and mitigation measures based on risk levels and continuously track them through existing internal management mechanisms. For each major climate risk, we designate a responsible department, formulate a special response plan, and regularly track the implementation progress of response measures and their impact on risk exposure. During the tracking phase, we focus on the implementation progress and effectiveness of relevant measures. Simultaneously, we dynamically adjust response strategies by regularly reviewing and updating risk assessment results, ensuring alignment with evolving external conditions and our business development.

We report climate risk management information to management and the Board through existing internal reporting and oversight mechanisms. The Board oversees the integration and effectiveness of climate risk management by regularly reviewing our overall risk profile.



Metrics and Targets

We have established a comprehensive greenhouse gas accounting system that strictly adheres to the internationally recognized the *Greenhouse Gas Protocol* standards. We continuously monitor greenhouse gas emissions within our operational scope and value chain, reporting them uniformly in tCO₂ equivalent. By continuously improving data collection scope and accounting methods, we gradually enhance the completeness, consistency, and comparability of emissions data, providing a reliable foundation for target management and performance evaluation.

Based on systematic emissions accounting, and in alignment with China's "Dual Carbon" goals, the long-term temperature objectives of the *Paris Agreement*, and our development stage, we have established phased decarbonization targets and implementation pathways aligned with our business characteristics. Given the nature of the SaaS industry, our direct emissions are limited, with most emissions arising from purchased electricity. We have set 2025 as our base year and aim to reduce our Scope 1 and Scope 2 greenhouse gas emissions by 10% by 2030 compared with the base year through carbon emission reductions. For value chain emissions, we are progressively enhancing the identification and management of key Scope 3 categories, laying the foundation for more targeted value chain decarbonization goals.

We have integrated the management of climate targets into the climate governance closed loop, ensuring emission reduction efforts are implemented. The ESG Committee, jointly with various business departments, formulates scientific and operable phased emission reduction targets based on our development strategy and technological innovation progress, submitting them to the Board for review. At the execution and monitoring level, functional departments related to environmental management are responsible for organizing the annual collection, accounting, and aggregation of greenhouse gas emissions data, regularly tracking progress towards targets, and analyzing changes in key indicators. The Board and ESG Committee review emission reduction progress annually.

We will continuously review and optimize climate-related metrics and targets based on changes in the external policy environment, industry development trends, and our own business development, gradually improving the scientific nature and coverage scope of targets, promoting synergistic improvement of climate management level with the Company's long-term strategy.

Indicator	Unit	2025	2024
Scope 2 emissions	tCO ₂ e	389.69	464.41
Greenhouse Gas Emissions	tCO ₂ e	389.69	464.41
Greenhouse Gas Emission Intensity	tCO ₂ e / RMB million turnover	0.18	0.25
Purchased electricity	MWh	734.44	865.47

Note: 1. During the reporting period, the Company did not have any direct greenhouse gas emissions (such as from stationary sources, mobile sources, or fugitive emissions) arising from the operations it owns or controls; therefore, there were no Scope 1 greenhouse gas emissions. 2. The Company's Scope 2 greenhouse gas emissions originate from emissions associated with purchased electricity, using the national average carbon dioxide emission factor for electricity in 2023 of 0.5306 tCO₂/MWh, as specified in the Announcement on the Release of the 2023 Electricity Carbon Dioxide Emission Factor. 3. In 2025, the Company's total greenhouse gas emissions decreased by approximately 16.1% compared to 2024. This reduction was driven by the Company's ongoing energy conservation and emission reduction initiatives, which have achieved phased results in operational management, energy use optimization, and equipment energy efficiency improvements, effectively lowering energy consumption intensity per unit of operational activity. Additionally, a decline in the emission factor of purchased electricity contributed positively to the overall reduction in total emissions.

Emission Reduction Pathway

To achieve the 2030 emission reduction target, we have constructed a systematic emission reduction pathway based on our business characteristics and emission structure. We focus on steadily advancing low-carbon transition actions in areas such as data center energy efficiency improvement, office energy conservation management, business travel emission control, and green supply chain collaboration.

In data center management, we continuously reduce energy consumption per unit of computing power by optimizing server configuration structure, improving resource utilization, introducing high-efficiency IT equipment, and refining scheduling strategies. In the office operations, we continuously advance energy-saving retrofits and green office practices. By promoting intelligent lighting systems, optimizing air conditioning temperature control, prioritizing procurement of high-efficiency office equipment, and strengthening daily energy use monitoring, we promote paperless offices and digital collaboration to reduce resource consumption and indirect emissions, gradually creating a low-carbon and efficient office environment. Additionally, we strengthen carbon emission management for business travel, advocating the principle of "use video conferencing instead of travel whenever possible," encouraging priority use of remote meetings and other digital communication methods. When travel is necessary, we prioritize relatively low-carbon transportation modes like rail to reduce related greenhouse gas emissions.

In supply chain management, we embed green and low-carbon concepts into our procurement systems and supplier management framework. By updating internal policy documents like the Supplier Code of Conduct, we extend green and low-carbon principles to the supply chain, encouraging suppliers to also adhere to environmental protection and sustainability principles. We implement environmental protection priorities in procurement decisions, procuring low-energy, low-emission office equipment and IT infrastructure, and partnering with suppliers with good environmental performance. We prioritize products with environmental certifications in material procurement.

Case: Office Energy-Saving Management

We continuously advance energy conservation management in office premises, improving energy efficiency and reducing daily operational energy consumption through multi-dimensional measures such as equipment upgrades, intelligent controls, and institutional constraints.

During the reporting period, while adjusting the office area, we comprehensively upgraded the office lighting to an LED energy-saving system, achieving full-area coverage with energy-saving fixtures. In equipment management, we implemented intelligent energy-saving control for inverter air conditioners through integrated modules, enabling optimized temperature regulation and supporting remote monitoring, control, and equipment locking functions, effectively avoiding energy waste from air conditioners running empty when management personnel are not present, further refining energy management. At the institutional level, we continue to implement energy conservation patrol mechanisms. We require employees to turn off all power equipment in their departments' office area and personal workspace before leaving work each day. Administrative duty officers conduct daily energy conservation and safety patrols to ensure the implementation of energy-saving measures. These systems and mechanisms remain consistent with previous years and are continuously strengthened during daily operations.



Case: Promoting Electronic Invoice Management, Creating a Green Paperless Office Model

We actively respond to the national policy promoting electronic invoices and the trend of enterprise digital transformation, continuously advancing the construction of digital electronic invoice and electronic receipt systems, achieving a full-process digital upgrade of invoice management, contributing to green offices and low-carbon operations.

Promoting Full-Process Paperless Digital Invoices: For supplier invoice management scenarios, we have developed an automated processing system covering invoice issuance, transmission, verification, matching, archiving, and achieving full-process paperless management of supplier digital invoices. This initiative allows suppliers using digital invoices to eliminate printing and mailing steps, achieving "zero paper throughout," enhancing cooperation efficiency while reducing paper and logistics resource consumption, and optimizing supplier cooperation experience. In terms of cost and resource savings, the application of digital invoices significantly reduces direct cost expenditures for printing, binding, mailing, and storing paper invoices, while lowering paper consumption and related consumables.

Promoting the application of electronic receipts to advance paperless office operations: We are simultaneously advancing the digital transformation of its expense receipt processes. For fees collected from suppliers, such as quality assurance deposits and security deposits, the system automatically generates electronic receipts and completes electronic signatures, eliminating the need for paper printing throughout the entire process. This approach reduces the use of paper and printing consumables at the source, lowering the management and storage costs associated with paper documents.

In 2025, office paper usage significantly decreased. According to printer usage statistics, A4 paper usage in the Beijing office area was 73,899 sheets in 2025, a significant reduction from 136,303 sheets in 2024, demonstrating the positive results of digital transformation in conserving resources and reducing environmental impact.

Case: Optimizing Business Travel Management to Promote Low-Carbon Office Practices

We continuously advance business travel management optimization, combining institutional improvements with digital tools to enhance expense control efficiency while reducing resource consumption and carbon emissions from travel activities.

In 2025, business travel expenses decreased by approximately 4% compared to 2024. During the reporting period, we strengthened business travel expense control measures, optimized travel approval and booking rules, and standardized the air ticket booking process, improving expense transparency and management efficiency. Simultaneously, we actively promoted online meetings and remote collaboration methods, reducing unnecessary travel frequency, thereby lowering energy consumption and carbon emissions related to transportation while ensuring business communication efficiency. In terms of travel arrangements, we advocate reasonable travel and accommodation arrangements, optimizing accommodation resource allocation to improve resource utilization efficiency while complying with company policies and ensuring employee safety.



Strengthen Low-carbon Training and Employee Engagement to Promote the Integration of Green Principles into Daily Operations

We place high importance on the positive role of employees in the green transition, continuously promoting the concept of "everyone participates in carbon reduction." Through internal communication channels, we share energy-saving tips and best practice examples, encouraging employees to practice low-carbon behaviors in their daily work, such as saving electricity, saving water, and green commuting, creating a green culture atmosphere where everyone participates. In terms of management mechanisms, we gradually integrate sustainable development-related indicators into daily management and performance guidance, strengthening employees' sense of responsibility for energy-saving and emission reduction targets, guiding them to proactively identify and implement energy-saving and consumption reduction measures in their roles. Additionally, we regularly organize environment-themed social impact initiatives, combining environmental education with volunteer engagement to raise environmental awareness among employees and the broader community, and strengthen collective action between our Company and society to advance green development.

During the reporting period

Total number of energy-saving and environmental protection training sessions

14



Total hours of energy-saving and environmental protection education and training

14



Total number of campaigns conducted on energy conservation and environmental protection

5



Case: Energy Conservation and Environmental Protection Promotion



常见交通工具碳排放量对比

交通工具	人均碳排放 (kgCO ₂ /人)	碳排放影响
飞机 (经济舱)	115-150 kg	碳排放污染最严重
高铁 (二等座)	15-25 kg (每单程)	碳排放少, 电力消耗低
长途大巴	30-50 kg	尾气排放污染大
出租车	80-120 kg (3人满载)	城市拥堵加剧
电车	40-60 kg (每百公里耗电)	电力生产碳排放高

分段距离低碳出行推荐方案

- 短途 (≤300公里) —— 优先“零碳”与“微出行”
- 1. 首选: 自行车/电动自行车 (零排放)、城市轨道交通 (地铁碳排放仅私家车1/6)
- 2. 次选: 新能源车 (人均碳排放比燃油车低70%)、共享汽车 (选择EV车型)
- 3. 备选: 网约车/出租车 (130公里) 碳排放300g



Water Resources Management

We strictly comply with applicable laws and regulations on water resource protection and sustainable use, including the Water Law of the People's Republic of China, and systematically integrate water conservation and water resource protection into our compliance framework and daily operations. Through policy communication, behavioral guidelines, and internal management requirements, we guide employees to enhance water conservation awareness in daily office work and business activities, promoting the implementation of water-saving concepts across all business segments.

To improve water use efficiency and reduce water waste at the source, we have established a routine inspection and maintenance mechanism for water facilities. We conduct regular inspections and maintenance of water terminals in office areas, promptly identifying and addressing potential issues. Through continuous monitoring and standardized management, we effectively prevent and reduce occurrences of leaks and drips, ensuring stable operation of water facilities, continuously improving water use efficiency while meeting daily operational needs, and reducing water consumption and environmental impact.

Indicator	Unit	2025	2024
Water consumption	Tonnes	3,106.00	3,425.00
Water consumption intensity	Tonnes/RMB million turnover	1.39	1.84

Indicator	Unit	2025	2024
Non-hazardous waste produced	Tonnes	7.03	7.34
Intensity of non-hazardous waste produced	Tonnes/RMB million turnover	0.003	0.004

Emissions Management

We are committed to minimizing the environmental impact of our operations and have established an emissions management system covering all business processes. We apply the principles of reduction, resource recovery, and harmlessness, implementing strict classification and treatment measures for different types of waste, and ensuring all emission activities comply with environmental regulations in our operating locations. We advance source reduction and leverage refined operational management to lower our environmental footprint and have set a target to reduce office waste intensity (per unit of revenue) by 10% by 2030, using 2025 as the base year.

We implement highly standardized disposal processes for non-hazardous waste generated during operations:

Segregated Collection

We implement a twice-daily collection schedule for recyclables such as paper, plastic, metal, and wood, as well as domestic waste and maintenance solid waste.

On-site Control

All waste is centrally stored in designated areas, preventing littering, piling, and spillage.

Professional Disposal

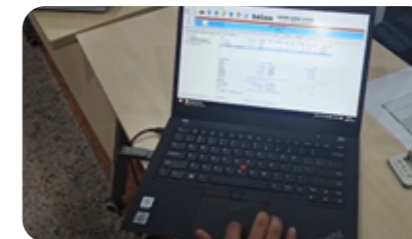
We entrust property management companies with daily collection and centralized removal, ensuring 100% proper disposal of non-hazardous waste.

We do not generate hazardous waste. Printer consumption is handled by an outsourced company. Printer consumables (e.g. toner cartridges and ink cartridges) are managed through a lease and maintenance model, with professional suppliers conducting regular monthly maintenance and recycling. For electronic waste and batteries generated during operations, we entrust qualified professional recyclers for compliant disposal, preventing secondary pollution of soil and water sources.

The wastewater generated during the Company's operations mainly consists of office and domestic sewage, without involving water-intensive or highly polluting production processes. Regarding domestic sewage discharge, all sewage is initially treated in the building's septic tank managed by the property management, in strict accordance with standards, and is only discharged into the municipal sewage network after passing required inspections. Meanwhile, the property management regularly conducts pipeline cleaning and inspections to effectively prevent risks such as blockages or sewage overflow.

Case: Compliance Disposal of IT Assets

In 2025, we conducted a company-wide special campaign for the removal of electronic waste. Through three systematic recycling initiatives in February, July, and September, we completed the compliant disposal of 314 IT assets. All asset disposals were carried out by qualified renewable resource recycling enterprises, ensuring discarded equipment enters the circular economy system. We assigned dedicated personnel to supervise the entire disposal process on-site, ensuring both data security and environmental compliance were met, achieving 100% professional disposal of electronic waste.





Spotlight

AI Technology Drives Green Operational Transformation

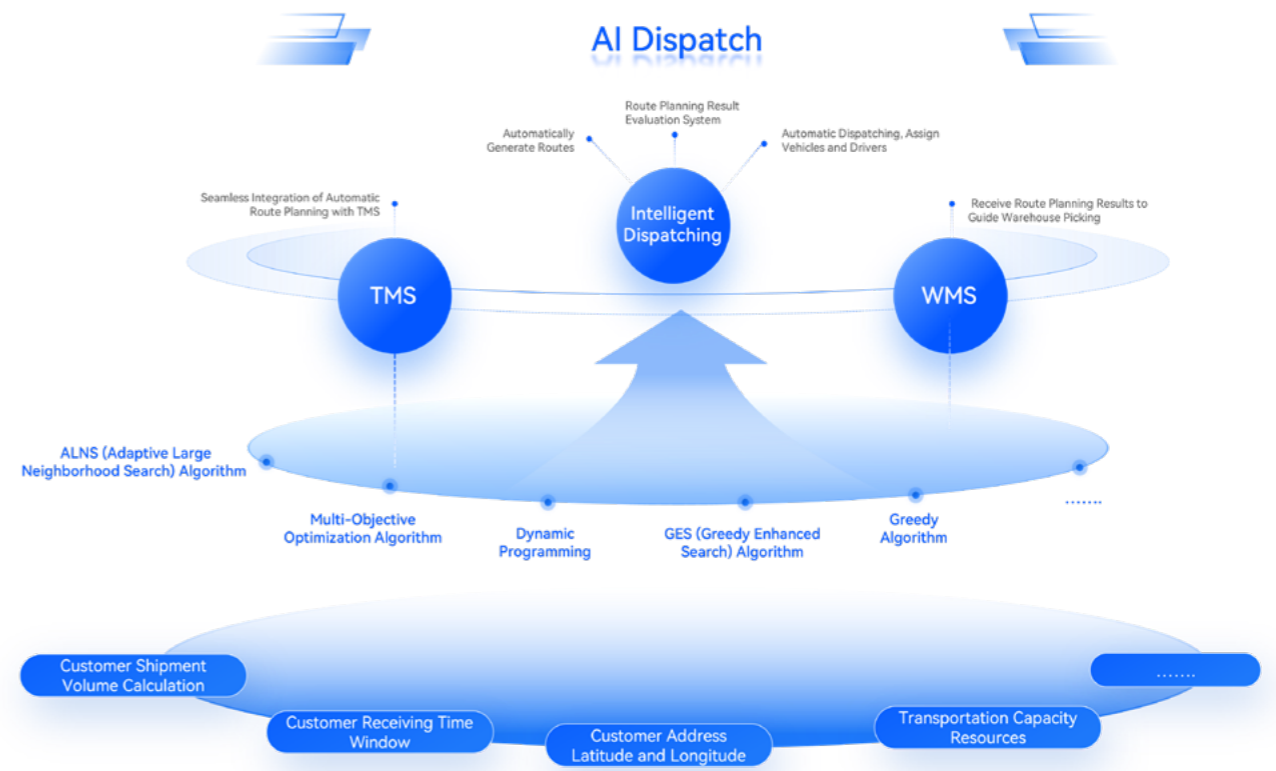
We leverage AI technology to build digital solutions covering the entire retail value chain, enhancing operational efficiency while helping customers achieve synergistic effects of resource conservation and emission reduction, effectively supporting their green operational transformation.

In product management, AI Merchandising has been implemented at Wumart Group's AI New Quality Retail stores. Through a refined product selection model based on consumer demand, it optimizes product structure, cumulatively phasing out over 34 redundant SKUs, and improving inventory turnover efficiency by approximately 18%. This measure effectively reduces resource consumption in production, warehousing, and subsequent disposal stages of low-demand products, reducing energy use and potential waste generation at the source.

In price and inventory clearance management, AI Pricing system covers 376 Wumart stores online and offline. By intelligently optimizing the daily fresh product markdown strategy, it eliminates the need for additional markdowns in about 20% of stores, increasing the full-price sales rate by approximately 10%. Among these, the fresh product wastage rate in 116 offline stores achieved an annual decline, effectively alleviating inventory spoilage pressure and reducing the environmental burden from expired product disposal.

In fresh and prepared food management, AI PreciseFresh serves Wumart New Quality Retail and Guangdong 7-Eleven. Through a high-precision demand forecasting model, it optimizes production planning, reducing overall spoilage rates by approximately 30%, with forecast accuracy exceeding 90%. This system significantly reduces food waste and water/electricity consumption during processing, markedly improving resource utilization efficiency and reducing operational costs.

In the logistics segment, the AI Dispatch system empowers customers to optimize their operations. By optimizing transportation routes and delivery frequency planning, it reduces the number of trips by approximately 15%, significantly lowering vehicle empty running rates, fuel consumption, and related greenhouse gas emissions, contributing to a more efficient and greener logistics system.



Reduce overall spoilage rates by approximately **30%**

Accuracy of arrival forecasts exceeds **90%**

AI PreciseFresh

Case: Intelligent Supply Chain System Promotes Energy Conservation and Emission Reduction

Project Background

Xinjiang Wuika Times Department Store Co., Ltd. (referred to as "Wuika Times") is a leading chain supermarket operator in Xinjiang. Its unique regional environment and business scale have shaped a supply chain model that combines centralized control with regional flexibility, creating an urgent need to initiate a deep digital and intelligent transformation centered on the supply chain.

Solution

Based on Xinjiang's unique regional characteristics and Wuika Times' operational structure, both parties have planned a systematic digitalization roadmap centered on the goals of "online operations, process collaboration, and data-driven decision-making," carrying out end-to-end upgrades across procurement, warehousing, and transportation.



Procurement Management Upgrade

Establish a unified supplier collaboration platform to fully digitize processes including supplier onboarding, contract management, purchase order and return management, and fee reconciliation and settlement, supporting refined management of various cooperation models such as self-operation, joint operation, and consignment sales.



Intelligent Warehouse Management (WMS)

Enables seamless integration between warehouse systems and business systems, with real-time document transmission and data synchronization. The entire process—from receiving, put-away, picking, verification to loading and shipment—is digitized and paperless, significantly improving operational efficiency across all warehouse activities.



Distribution and Transportation Optimization (TMS)

Establish standardized distribution management processes to enable systematic scheduling of vehicle management and delivery tasks, enhance the accuracy of warehouse-store handovers, and ensure efficient movement of goods across vast territories.

Core Value

Building an efficient and collaborative green supply chain. The unified supplier platform enables digitalized processes, the WMS system promotes paperless operations, and the TMS optimizes delivery routes and vehicle scheduling, significantly reducing carbon emissions and resource consumption in logistics. Technology drives energy savings, emission reductions, and sustainable development.



06

Lighting Path

**Giving Back to Society,
Illuminating the Future**

Co-Creating Social Well-Being



Practices Concerning the SDGs



Committed to Social Impact

We always regard fulfilling social responsibility as the core mission of corporate development, continuously giving back to society through diversified social impact practices. In terms of caring for vulnerable groups, we organized employees to donate winter clothes to left-behind children, bringing warmth to those in need; participated in volunteer services at Food Angel in Hong Kong, providing help to disadvantaged individuals. In the field of environmental protection, we organized a coastal cleanup activity on Ocean Day to protect the marine ecological environment; participated in a green activity on Lantau Island in Hong Kong, effectively protecting the forest ecosystem. Additionally, we actively support employee participation in unpaid blood donation, donations to stray animal protection associations, temple volunteering, and painting donation activities, and continuously fund the Shenzhen Education Foundation and provide free psychological counseling services. During the reporting period, we organized a total of 11 volunteer activities, with 140 participants, comprehensively demonstrating our responsible commitment across multiple dimensions including education, health, ecological protection, and community welfare, forming a social impact practice system with broad social impact.



Case: Hong Kong ESG Community Engagement Event - Food Angel Volunteer Service

In September 2025, the DMALL Hong Kong team visited the Food Angel community center to participate in volunteer services, distributing hot meals and food packs to underprivileged families. Upholding the concept of 'solving hunger, connecting with love,' this initiative not only delivered warmth but also actively responded to social care, demonstrating the Company's practical actions towards sustainable development.



Case: Green Action - Lantau Island Team Building with Dual Focus

In October 2025, Dmall organized the "Lantau Island Mindfulness and Environmental Protection Trip," in which the Hong Kong team participated in a mountain clean-up activity. Working in groups, they collectively collected over 300 pieces of litter along the hiking trails. By integrating environmental sustainability with team building, the event not only strengthened cross-level communication but also enhanced employees' sense of responsibility and team cohesion, promoting the deep integration of ESG principles within the corporate culture.



Case: "DMALL 2025 Ocean Day" Activity, Fulfilling Ecological and Environmental Responsibility

On July 26, 2025, DMALL organized an environmental education event titled "DMALL 2025 Ocean Day." Thirty-six employee volunteers participated in beach cleanup and marine conservation outreach activities, actively fulfilling corporate social responsibility and raising awareness of ecological and environmental protection through practical actions.

On the day of the event, volunteers worked in groups to conduct a concentrated cleanup along approximately 2 kilometers of coastline, removing around 120 kilograms of various types of waste, about 70% of which were plastic products, including disposable food containers, plastic bags, beverage bottles, and discarded fishing nets. Through the categorized collection and centralized disposal of beach litter, the local coastal environment was effectively improved.

During the event, the Company raised awareness among participating employees about the impact of marine debris on ecosystems and biodiversity, guiding them to gain a deeper understanding of the importance of ocean conservation. Some employees brought their families to join the activity, strengthening environmental awareness among the younger generation through hands-on experience and further expanding the social impact of the community service.



Strengthening University Collaboration

We have established deep school-enterprise cooperation relationships with universities such as Huazhong University of Science and Technology, Nankai University, and the University of Chinese Academy of Sciences. We regularly carry out interactive programs like MBA study tours and industry practice courses, promoting industry-education integration and talent cultivation. Meanwhile, we actively host visits and research by renowned academic institutions and business organizations, including China Europe International Business School (CEIBS) and the China Entrepreneur Club. Through industry insight sharing and site visits, we promote continuous dialogue and bidirectional empowerment between industry and academia, fully demonstrating our social responsibility in supporting educational innovation and driving industry progress.

Case: DMALL and Huazhong University of Science and Technology Jointly Build a New Ecosystem for Career Planning and Talent Development

DMALL partnered with the School of Computer and Technology at Huazhong University of Science and Technology (HUST) to explore new paths for talent development. Both sides reached a consensus on future cooperation pathways: to establish a regular exchange mechanism focusing on the key technological breakthroughs in the industry, organizing periodic two-way interactions between DMALL technical experts and faculty and students of the university. Simultaneously, accelerate the construction and implementation of the "DMALL Internship Base," and based on this, engage in deeper collaboration at levels such as campus recruitment and innovative industry-education cooperation, building a seamless platform for students from theoretical learning to industrial practice.

Meanwhile, we deeply participated in the preliminary rounds of HUST's 3rd College Student Career Planning Competition. This not only provided students with a window into industrial practice but also promoted in-depth exchanges between the university and enterprises in the fields of talent development and employment guidance, demonstrating the Company's active fulfillment of social responsibility and its commitment and contribution to supporting education.



Case: DMALL and UCAS MBA Jointly Develop "AI New Quality Retail" Industry-Academia Practice Course

On August 23, 2025, MBA faculty and students from the School of Economics and Management, University of Chinese Academy of Sciences (UCAS), once again visited DMALL for the second phase of the business practice course, marking a deeper level of industry-academia collaboration. The event adopted a "site visit + special lecture" format. At the benchmark store transformed by AI - Wumart Xueqing Road - participants experienced digital retail scenarios firsthand. The store manager explained in detail how AI applications like the AI markdown system achieve 'selling only on the day' through efficient operations and precise spoilage control.

In the theoretical session, DMALL experts shared in-depth industry insights and technical practices. The Head of AI Product R&D elaborated on "AI Practice in Retail Digitalization Transformation," systematically explaining how technologies like AI PreciseFresh and AI Merchandising balance sales and spoilage and drive category health. The Head of Intelligent IoT showcased the implementation results of IoT in areas like checkout, attendant services, and shelf management, revealing the systematic improvement of operational efficiency through technology. This interaction not only provided vivid industry lessons for university students but also demonstrated DMALL's practical achievements in empowering physical retail with technology. Both sides continue to work together to advance the improvement of the AI New Quality Retail ecosystem and the co-construction of the talent development system.



Case: University Research Visit Activity

An academic and enterprise research expert group, consisting of Mingxia Cheng, Editor-in-Chief of the Harvard Business Review, Professor Yanbing Tan of Decision Sciences and Information Systems at CEIBS, and Xiaoji Wan, Assistant Dean of the Institute for Industrial Development at Tsinghua University, visited DMALL for in-depth research.

During the research activity, DMALL presented its cutting-edge business related to digitalization and AI. This not only showcased DMALL's technological leadership and practical influence within the industry but also promoted in-depth dialogue between industrial practice and academic research, providing a forward-looking and practical perspective for the intelligent transformation of the retail industry.





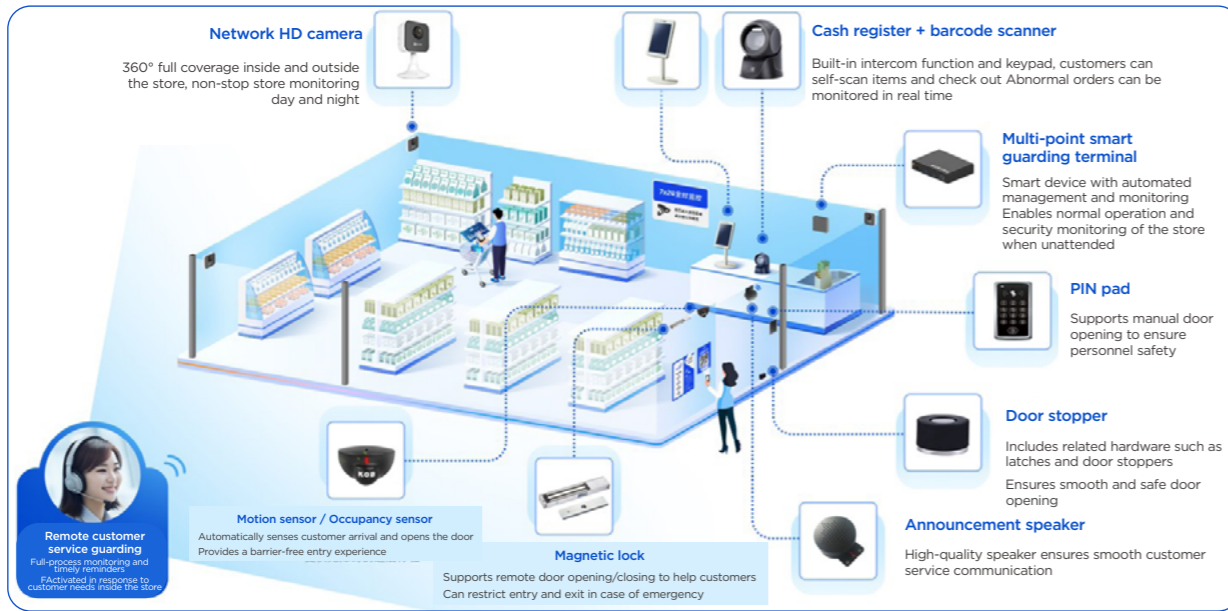
Spotlight

Empowering Social Responsibility with AI Technology

Our applications of technology fully reflect our emphasis on employee well-being and consumer rights. The AI Monitoring system, through functions like intelligent cigarette cabinets, remote customer service, and risk behavior identification, supports convenience stores in achieving unattended nighttime operations. This not only reduces employees' nighttime work risks but also, through technological breakthroughs achieving speech-to-text recognition accuracy of over 98%, optimizes the customer service interaction experience. The system has been successfully deployed across multiple convenience store clients, including stores under chains like Guangdong 7-Eleven, Sichuan Hongyuan, and Chengdu Laolinju, achieving tangible improvements in employees' working environment.

We actively assume corporate social responsibility. While creating business value for customers, we are even more committed to empowering employees, optimizing customer service, and continuously supporting regional economic development through powerful AI solutions. We transform our technological capabilities into measurable social benefits, actively fulfilling our commitment to sustainable development.

In terms of customer service optimization, the digital quality control system has established an end-to-end quality assurance framework covering admission review to execution traceability. By standardizing procedures and digitizing workflows, the system ensures strict enforcement of quality and safety standards. The quality control execution process is fully visible and traceable, enabling rapid identification of the specific stage and responsible party in the event of any quality issue. Meanwhile, the AI Loss Prevention system utilizes computer vision technology to detect missed scans during self-checkout in real time, protecting merchants' interests while upholding a fair trading environment, thus reflecting a value orientation toward ethical technology use.



AI Monitoring



AI Loss Prevention

Case: Digitalization stores bring warm and accessible service within reach

Project Background

To better respond to emerging trends in the consumer market and enhance customer shopping experiences, Aijia Supermarket has proactively initiated a comprehensive store-centric transformation starting in 2025. While optimizing product assortment, shopping environments, and staff service, the Company is committed to building an intelligent operations system that directly empowers individual stores. This system aims to achieve standardized service delivery, effective risk management, and improved operational efficiency, thereby laying a solid foundation for the Company's scalable growth and brand revitalization.

Solution

Based on Aijia Supermarket's core requirement for refined store operations, DMALL built a digitalization store system centered on "intelligent inspection, self-checkout loss prevention, and intelligent checkout," establishing a three-layer closed-loop management capability.

- The intelligent inspection system establishes a comprehensive visual inspection framework to enable real-time monitoring of key indicators such as store fire safety, product display, and customer service. It replaces traditional random inspections with an integrated model combining "online video store checks" and "offline self-inspections," and leverages AI-powered visual surveillance technology to significantly enhance emergency response speed.
- The self-checkout loss prevention system has established an end-to-end intelligent loss prevention mechanism. The system enables a shift from passive response to proactive management by precisely identifying abnormal behaviors such as missed or incorrect scans before they occur, providing friendly on-screen prompts during checkout to guide customers to rescan items themselves, and creating a traceable data chain afterward. Actual operational data shows that the system has achieved significant results in identifying abnormal behaviors and recovering losses.
- The intelligent checkout system upgrades the checkout counter into a digital and intelligent operation node, featuring digital scheduling alerts, checkout performance insights, and AI-assisted shift planning, effectively driving management decisions to shift from experience-based to data-driven.

Core Value

Established a full-chain digital and intelligent operation system, significantly enhancing customer shopping efficiency and experience, while upholding corporate social responsibilities in quality and safety, fair transactions, and operational compliance through technological measures.

For regional economies and SMEs, our AI products demonstrate significant inclusive value. In 2025, we achieved cooperation with well-known regional retail enterprises, helping them improve operational efficiency and market competitiveness through digital solutions, injecting new digital momentum and reflecting our social responsibility to support regional economic development

Case: Using "Autonomous store" to illuminate a Sustainable Retail Path Serving Urban and Rural Areas

Project Background

Guided by the corporate mission of "connecting urban and rural areas, serving the community, and giving back to society," Laolinju is actively advancing the integration of agricultural and commercial connectivity and optimizing its community-based business layout. To extend its service chain and enhance the capabilities of individual stores, the Company has partnered with DMALL to adopt "autonomous store" as a key breakthrough. By leveraging technology to reconstruct store operations, it aims to overcome time constraints and establish a robust digital and intelligent infrastructure to support large-scale, cross-regional expansion.

Solution

The Company leverages core technologies such as IoT, AI analytics, intelligent monitoring, and big data to establish a new operational model of "staffed service during daytime + unattended operation at night," enabling 24/7 full-time operation. Customers scan a code for real-name authentication upon entry, and the system synchronizes in-store information in real time to cloud-based customer service. During shopping, customers complete product identification and payment autonomously, while cloud-based customer service remotely verifies orders. A cloud-based risk control system monitors abnormal activities in real time and automatically retains traceable records. The system supports one-click switching between staffed and unattended modes, ensuring reliable nighttime operations under normal conditions and rapid response capability in exceptional situations, significantly enhancing store operational efficiency and security levels.

Core Values

- Service duration breakthrough, unlocking the potential of the night-time economy. Accumulated unattended service hours exceeded 200,000 throughout the reporting period, effectively filling service gaps during nights and holidays; served over 300,000 night-time customers, meeting diverse needs such as emergency shopping and nocturnal consumption.
- Leading industry value and creating a new paradigm for convenient retail. By leveraging the supply and marketing cooperative's supply chain and community store network, combined with unattended operation solutions, a new model of people's livelihood services has emerged—ensuring uninterrupted convenience and undiminished service. This provides cost-effective and highly adaptable upgrade pathways for regional economies, including county-level areas. Through the integration of the supply and marketing cooperative's heritage with digital intelligence, it supports neighborhood retailers in forging a sustainable retail path that balances efficiency with human touch, deeply serving both urban and rural communities.

List of Key Indicators

ESG metrics	Unit	2025
Operating revenue	RMB million	2,226.76
Greenhouse gas emissions (Scope 1 & Scope 2)	metric tons of carbon dioxide equivalent	389.69
Greenhouse gas emissions intensity (Scope 1 & Scope 2)	metric tons of carbon dioxide equivalent per RMB million turnover	0.18
Note: 1. During the reporting period, the Company did not have any greenhouse gas emissions directly resulting from operations it owns or controls (such as stationary sources, mobile sources, and fugitive emissions); therefore, there were no Scope 1 greenhouse gas emissions. 2. Scope 2 greenhouse gas emissions of the Company are derived from emissions associated with purchased electricity, using the national average carbon dioxide emission factor for electricity in 2023 (0.5306 tCO ₂ /MWh) as specified in the <i>Announcement on the Release of the 2023 Electricity Carbon Dioxide Emission Factor</i> .		
A1. Emissions		
A1.4 Non-hazardous Waste		
Quantity of non-hazardous waste produced	Tonnes	7.03
Intensity of non-hazardous waste produced	Tonnes/RMB million turnover	0.003
A2. Resource Utilization		
A2.1 Total Energy Consumption		
Purchased power from external grids	MWh	734.44
Power consumption intensity	MWh/RMB million turnover	0.33
A2.2 Water Resource Consumption		
Water consumption	Tonnes	3,106.00
Water consumption intensity	Tonnes/RMB million turnover	1.39
Remarks:		
1. The Company does not generate hazardous waste, and all printer consumables are handled by an external contractor.		

ESG metrics	Unit	2025
B1. Employment		
B1.1 Total number of employees by gender, employment type, age group and geographical region		
Total number of employees	person	1,290
Number of employees by gender	Male employee	971
	female employee	319
Number of employees by education level	Specialist or below	359
	Bachelor's degree	799
	Master's degree or above	132
Number of employees by age group	Employees aged 18-29	121
	Employees aged 30-49	1,140
	50 years old and above	29
Number of employees by geographical region	Employees in mainland China	1,271
	Employees in overseas regions (excluding mainland China)	19
Number of ethnic minority employees	person	54
Number of employees with disabilities	person	11
Number of R&D employees	person	649
Number of hires this year	person	170

ESG metrics		Unit	2025
Number of hires by gender	Male employee	person	122
	female employee	person	48
Number of hires by age group	Employees aged 18-29	person	53
	Employees aged 30-49	person	117
Employee turnover rate for this year		%	20.96
Employee turnover rate by gender	Male employee	%	20.67
	female employee	%	21.81
Employee turnover rate by age group	Employees aged 18-29	%	27.98
	Employees aged 30-49	%	20.06
	50 years old and above	%	23.68
Employee turnover rate by geographical region	Employees in mainland China	%	20.86
	Employees in overseas regions (excluding mainland China)	%	26.92
Employee turnover rate categorized by reason for departure	Number of employees who voluntarily left	person	117
	Percentage of employees who voluntarily left	%	34.21
B2. Health and Safety			
B2.2 Number of workdays lost due to work-related injuries			
Number of workdays lost due to work-related injuries (number of lost workdays per 200,000 working hours)		Day	39
B2.3 Employees participating in occupational health and safety training			
Total number of occupational health and safety training sessions		time	7
Total number of participants in occupational health and safety training		person-times	189

ESG metrics		Unit	2025
Total number of employees trained in occupational health and safety		person	189
Average hours of occupational health and safety training per employee		hours/person	1
B3. Development and Training			
B3.1 Employees participating in training by gender and employee category			
Total number of training sessions		time	49
Total number of employees participating in training		person	775
Total number of employee training participations		person-times	2,363
Percentage of employees participating in training		%	60.60
Percentage of employees participating in training by gender	Male employee	%	55.10
	female employee	%	75.24
Percentage of employees participating in training by employee category	Senior Management	%	52.63
	Middle management	%	40.85
	Junior management	%	41.13
B3.2 Training hours per employee		hour	6,212.50
Average training hours per employee		hours/person	8.02
Average training hours per employee by gender	Male employee	hours/person	8.33
	female employee	hours/person	7.32
Average training hours per employee by employee category	Senior management level	hours/person	1.40
	Middle management level	hours/person	2.28
	Junior management level	hours/person	4.02

ESG metrics	Unit	2025
B5. Supplier Chain Management		
B5.1 Number of suppliers by geographical region		
Total number of suppliers	individual	1,747
Number of suppliers in mainland China	individual	1,709
Number of suppliers in overseas regions (excluding mainland China)	individual	38
B5.2 Supplier Certification		
Number of suppliers certified under the ISO 14001 system	individual	8
Number of suppliers certified under the ISO 45001 system	individual	9
Number of suppliers certified under ISO 9001 system	individual	21
B5.3 Supplier Performance Evaluation		
Total number of suppliers evaluated	individual	112
Total number of suppliers implementing capacity building plans based on assessment results	individual	42
Number of suppliers assessed through environmental and social evaluations	individual	77
B5.4 Supplier ESG Training		
Total number of suppliers participating in ESG training	individual	15
Number of sessions for supplier ESG training	time	3
B6. Product Responsibility		
B6.2 Number of products and service related complaints received and how they are dealt with		
Number of customer complaints	individual	1
Customer complaint handling response rate	%	100

ESG metrics	Unit	2025
B6.3 Practices related to the maintenance and protection of intellectual property rights		
Number of newly authorized patents	piece	37
Cumulative number of authorized patents obtained	piece	186
Number of newly acquired software copyrights	piece	34
Total number of software copyrights obtained	piece	332
Cumulative number of trademarks obtained	piece	282
B7. Anti-Corruption		
B7.3 Anti-Corruption Training		
Total number of ethics and anti-corruption training sessions	time	1
Number of employees participating in ethics and anti-corruption training	person	88
B8. Community Investment		
B8.2 Resources contributed to the focus area		
Number of volunteer participations	person-times	140
Volunteer hours	hours	20

Appendix

Content Index of the Hong Kong Stock Exchange *Main Board Listing Rules Appendix C2 Environmental, Social and Governance Reporting Code* (the "ESG Code")

Serial Number	Indicator Description	Disclosure Status	Chapter
Aspect A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Hazardous wastes are those defined by national regulations.	Partial Disclosed Air emissions are not a significant category for the Company's operations.	Emissions Management
	KPI A1.1 The types of emissions and respective emission data.	Air emissions are not a significant category for the Company's operations, hence A1.1 is not applicable.	/
	KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Not involving the generation of hazardous waste, the printer consumables are handled by an outsourcing company, hence A1.3 is not applicable.	/
	KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Emissions Management
	KPI A1.5 Description of emission target(s) set and steps taken to achieve them.	Disclosed	Emissions Management
	KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Disclosed	Emissions Management
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Partial Disclosed The Company's principal business does not involve the use of raw materials; therefore, disclosures related to raw materials are not applicable.	Addressing Climate Change Water Resources Management
	KPI A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in "000s) and intensity (e.g. per unit of production volume, per facility).	Disclosed	Addressing Climate Change List of Key Indicators
	KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Disclosed	Water Resources Management
	KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	Addressing Climate Change

Serial Number	Indicator Description	Disclosure Status	Chapter
Aspect A2: Use of Resources	KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Disclosed There is currently no issue in sourcing water fit for purpose. The Company's operational activities only involve office water use.	Water Resources Management
	KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The main business products of the Company do not require packaging materials, hence A2.5 is not applicable.	/
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Disclosed	Environmental Protection Management
	KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	Environmental Protection Management
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare..	Disclosed	Safeguarding Employees'Rights and Interests Talent Growth and Development Employee Care and Well-being
	KPI B1.1 workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Disclosed	List of Key Indicators
	KPI B1.2 Employee turnover rate by gender, age group and geographical region.	Disclosed	List of Key Indicators
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Disclosed	Employee Care and Well-being
	KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	Employee Care and Well-being
	KPI B2.2 Lost days due to work injury.	Disclosed	List of Key Indicators
	KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	Employee Care and Well-being List of Key Indicators
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Disclosed	Talent Growth and Development
	KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	List of Key Indicators

Serial Number	Indicator Description	Disclosure Status	Chapter
Aspect B3: Development and Training	KPI B3.2 The average training hours completed per employee by gender and employee category.	Disclosed	List of Key Indicators
Aspect B4: Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Disclosed	Talent Strategy
	KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Disclosed	Talent Strategy
	KPI B4.2 Description of steps taken to eliminate such practices when discovered.	Disclosed	Talent Strategy
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	Disclosed	Promoting Sustainable Supply Chains
	KPI B5.1 Number of suppliers by geographical region.	Disclosed	List of Key Indicators
	KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	List of Key Indicators Promoting Sustainable Supply Chains
	KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	Promoting Sustainable Supply Chains
	KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	Promoting Sustainable Supply Chains
Aspect B6: Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Disclosed	Information Security and Data Security Product Research, Development Management and Innovation
	KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	The Company's main business is software services and does not involve the sale or delivery of physical products, so B6.1 is not applicable.	/
	KPI B6.2 Number of products and service related complaints received and how they are dealt with.	Disclosed	List of Key Indicators Product Research, Development Management and Innovation
	KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	Disclosed	List of Key Indicators Product Research, Development Management and Innovation
	KPI B6.4 Description of quality assurance process and recall procedures	Partial Disclosed The Company's main business is software services and does not involve the product recall.	Product Research, Development Management and Innovation
	KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored	Disclosed	Information Security and Data Security

Serial Number	Indicator Description	Disclosure Status	Chapter
Aspect B7: Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	Integrity and Compliance Management
	KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Disclosed	Integrity and Compliance Management
	KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	Integrity and Compliance Management
	KPI B7.3 Description of anti-corruption training provided to directors and staff.	Disclosed	List of Key Indicators Integrity and Compliance Management
Aspect B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Disclosed	Committed to Social Impact Strengthening University Collaboration Empowering Social Responsibility with AI Technology
	KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Disclosed	Committed to Social Impact Strengthening University Collaboration Empowering Social Responsibility with AI Technology
	KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	Disclosed	List of Key Indicators Committed to Social Impact Strengthening University Collaboration Empowering Social Responsibility with AI Technology
Climate-related Disclosures	Governance Responsible for overseeing climate-related risks and opportunities of Information on the governing body (which may include the board of directors, committees, or other equivalent governing bodies); the role of management in the governance processes, monitoring measures, and procedures used to monitor, manage, and supervise climate-related risks and opportunities.	Disclosed	Addressing Climate Change
	Strategy Climate-related risks and opportunities, business models and value chains, strategies and decisions, financial condition, financial performance, and cash flows, climate resilience.	Disclosed	Addressing Climate Change
	Risk Management The processes and related policies used by the issuer to identify, assess climate-related risks, and to determine their priority and maintain monitoring; the processes used by the issuer to identify, assess climate-related opportunities, and to determine their priority and maintain monitoring (including information on how the issuer may and how to use climate-related scenario analysis to identify climate-related opportunities); how the identification, assessment, prioritization, and monitoring processes of climate-related risks and opportunities are integrated into the issuer's overall risk management process, and the extent of this integration.	Disclosed	Addressing Climate Change
	Indicators and Goals Greenhouse gas emissions, climate-related transition risks and opportunities, capital deployment, internal carbon pricing, compensation, industry benchmarks, climate-related targets.	Disclosed	Addressing Climate Change

Global Reporting Initiative (GRI) Standards Content Index

Number	Description	Position in the report
General Disclosures		
GRI 2- General Disclosures		
The organization and its reporting practices		
2-1	Organizational details	Overview of DMALL
2-2	Entities included in the organization's sustainability reporting	Organization Scope
2-3	Reporting period, frequency and contact point	Reporting Period, Report Release Format
Activities and workers		
2-6	Activities, value chain and other business relationships	Overview of DMALL
2-7	Employees	Talent Strategy
2-8	Workers other than employees	Talent Strategy
Governance		
2-9	Governance structure and composition	Board Independence and Diversity
2-10	Nomination and selection of the highest - governing body	Board Independence and Diversity
2-11	Chair of the highest - governing body	Board Independence and Diversity
2-12	Oversight role of the highest - governing body in managing impacts	ESG Governance Structure
2-13	Delegation of responsibility for managing impacts	ESG Governance Structure
2-14	Role of the highest - governing body in sustainability reporting	ESG Governance Structure
2-16	Conflicts of interest	Material Issues
2-17	Communication of material concerns	Board Statement

Number	Description	Position in the report
General Disclosures		
GRI 2- General Disclosures		
Governance		
2-18	Collective knowledge of the highest - governing body	Talent Strategy
2-19	Performance evaluation of the highest - governing body	Talent Strategy
2-20	Remuneration policies	Talent Strategy
Strategy, policy, and practice		
2-22	Statement on sustainability strategy	Board Statement
2-23	Policy commitments	Strengthened Compliance Management
2-24	Embedding policy commitments	Strengthened Compliance Management
2-25	Processes to remediate negative impacts	Strengthened Compliance Management
2-26	Mechanisms for seeking advice and raising concerns	Strengthened Compliance Management
2-27	Compliance with laws and regulations	Strengthened Compliance Management
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Material Issues
GRI 3: Material topics		
3-1	Process to determine material topics	Material Issues
3-2	List of material topics	Material Issues
3-3	Management of material topics	Material Issues

Number	Description	Position in the report
Part Two: Specific Standards Disclosure Items		
Energy		
103-1	Energy policies and commitments	Addressing Climate Change
103-2	Energy consumption and self-generation within the organization	Addressing Climate Change
103-3	Upstream and downstream energy consumption	Addressing Climate Change
103-4	Energy intensity	Addressing Climate Change
103-5	Reduction in energy consumption	Addressing Climate Change
Economic performance		
201-1	Direct economic value generated and distributed	Overview of DMALL
201-2	Financial implications and other risks and opportunities due to climate change	Addressing Climate Change
201-3	Defined benefit plan obligations and other retirement plans	Employee Care and Well-being
Indirect economic impacts		
203-2	Significant indirect economic impacts	ESG Governance Structure Product Development Management and Innovation Promoting Industry Development
Anti-corruption		
205-1	Operations assessed for risks related to corruption	Integrity and Compliance Management
205-2	Communication and training about anti-corruption policies and procedures	Integrity and Compliance Management
205-3	Confirmed incidents of corruption and actions taken	Integrity and Compliance Management
Anti-competitive behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Integrity and Compliance Management
Water and effluents		
303-1	Interactions with water as a shared resource	Water Resources Management

Number	Description	Position in the report
Water and effluents		
303-2	Interactions with water as a shared resource	Water Resources Management
303-3	Water withdrawal	Water Resources Management
303-4	Water discharge	Water Resources Management
303-5	Water consumption	Water Resources Management
Emissions		
305-1	Direct (Scope 1) GHG emissions	Addressing Climate Change
305-2	Energy indirect (Scope 2) GHG emissions	Addressing Climate Change
305-4	GHG emissions intensity	Addressing Climate Change
305-5	Reduction of GHG emissions	Addressing Climate Change
Waste		
306-1	Waste generation and significant waste-related impacts	Emissions Management
306-2	Management of significant waste-related impacts	Emissions Management
306-3	Waste generated	Emissions Management
306-4	Waste diverted from disposal	Emissions Management
306-5	Waste directed to disposal	Emissions Management
Supplier environmental assessment		
308-1	New suppliers that were screened using environmental criteria	Promoting Sustainable Supply Chains
308-2	Negative environmental impacts in the supply chain and actions taken	Promoting Sustainable Supply Chains
Employment		
401-1	New employee hires and employee turnover	Talent Strategy

Number	Description	Position in the report
Employment		
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	Talent Strategy
401-3	Parental leave	Employee Care and Well-being
Occupational health and safety		
403-1	Occupational health and safety management system	Employee Care and Well-being
403-2	Hazard identification, risk assessment, and incident investigation	Employee Care and Well-being
403-3	Occupational health services	Employee Care and Well-being
403-4	Worker participation, consultation, and communication on occupational health and safety	Employee Care and Well-being
403-5	Worker training on occupational health and safety	Employee Care and Well-being
403-6	Promotion of worker health	Employee Care and Well-being
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee Care and Well-being
403-8	Workers covered by an occupational health and safety management system	Employee Care and Well-being
403-9	Work-related injuries	Employee Care and Well-being
403-10	Work-related ill health	Employee Care and Well-being
Training and education		
404-1	Average hours of training per year per employee	Talent Growth and Development
404-2	Programs for upgrading employee skills and transition assistance programs	Talent Growth and Development
404-3	Percentage of employees receiving regular performance and career development reviews	Talent Strategy
Diversity and equal opportunity		
405-1	Diversity of governance bodies and employees	Talent Strategy
Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	Employee Care and Well-being

Number	Description	Position in the report
Freedom of Association and Collective Bargaining		
Child labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	Talent Strategy
Forced or compulsory labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Talent Strategy
Local community		
413-1	Operations with local community engagement, impact assessments, and development programs	Committed to Social Impact Strengthening University Collaboration Empowering Social Responsibility with AI Technology
Supplier social assessment		
414-1	New suppliers that were screened using social criteria	Promoting Sustainable Supply Chains
414-2	Negative social impacts in the supply chain and actions taken	Promoting Sustainable Supply Chains
Customer health and safety		
416-1	Assessment of the health and safety impacts of product and service categories	Product Research, Development Management and Innovation
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product Research, Development Management and Innovation
Marketing and labeling		
417-1	Requirements for product and service information and labeling	Product Research, Development Management and Innovation
417-2	Incidents of non-compliance concerning product and service information and labeling	Product Research, Development Management and Innovation
417-3	Incidents of non-compliance concerning marketing communications	Excellence in Customer Service
Customer privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Excellence in Customer Service

Sustainable Accounting Standards Board (SASB) Content Index of the Sustainability Accounting Standards for Software and IT Services

Serial Number	Indicator Description		Chapter
TC-SI-130a.1		(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Addressing Climate Change
TC-SI-130a.2	Environmental Footprint of Hardware Infrastructure	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Water Resources Management
TC-SI-130a.3		Discussion of the integration of environmental considerations into strategic planning for data centre needs	Addressing Climate Change
TC-SI-220a.1	Data Privacy & Freedom of Expression	Description of policies and practices relating to targeted advertising and user privacy	Information Security and Data Security
TC-SI-220a.2		Number of users whose information is used for secondary purposes	Information Security and Data Security
TC-SI-220a.3		Total amount of monetary losses as a result of legal proceedings associated with user privacy	Information Security and Data Security
TC-SI-220a.4		(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	Information Security and Data Security
TC-SI-220a.5		List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Not applicable
TC-SI-230a.1	Data Security	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of users affected	Information Security and Data Security
TC-SI-230a.2		Description of approach to identifying and Response data security risks, including use of third-party cybersecurity standards	Information Security and Data Security
TC-SI-330a.1	Recruiting & Managing a Global, Diverse & Skilled Workforce	Percentage of employees that require a work visa	Talent Strategy
TC-SI-330a.2		Employee engagement as a percentage	Talent Strategy
TC-SI-330a.3		Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) technical employees, and (d) all other employees	Talent Strategy
TC-SI-550a.2	Managing Systemic Risks from Technology Disruptions	Description of business continuity risks related to disruptions of operations	Information Security and Data Security
TC-SI-000.A	Activity Metric	(1) Number of licences or subscriptions, (2) percentage cloud-based	Information Security and Data Security



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